

I certify that the attached is a true and  
correct copy of HB 708, which  
was filed of record on JAN 27 1989

and referred to the committee on

Appropriations

*Betty Munsey*

Chief Clerk of the House

1989 FEB 22 AM 8:35

HOUSE OF REPRESENTATIVES

FILED JAN 27 1989

By Perry

H.B. No. 708

A BILL TO BE ENTITLED

AN ACT

relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board, and to funding of the program by an increase in the maintenance tax on the gross premiums of certain types of insurance.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Title 4, Government Code, is amended by adding Chapter 419 to read as follows:

CHAPTER 419. FIRE DEPARTMENT EMERGENCY BOARD

Sec. 419.001. DEFINITIONS. In this chapter:

- (1) "Board" means the Fire Department Emergency Board.
- (2) "Fund" means the fire department emergency fund.
- (3) "Program" means the fire department emergency program.

Sec. 419.002. PURPOSE. The purpose of this chapter is to promote efficient fire protection for the residents of this state by providing to eligible local fire departments and public fire-fighting organizations:

- (1) long-term or low interest loans or other financial assistance as the board considers necessary to purchase necessary fire-fighting equipment and facilities; and
- (2) scholarships and grants to better educate and train their members.

1       Sec. 419.003. CREATION OF BOARD. The Fire Department  
2 Emergency Board is created.

3       Sec. 419.004. MEMBERSHIP. (a) The board is composed of  
4 nine members appointed by the governor with the advice and consent  
5 of the senate.

6       (b) Six members must be involved in fire service activities.  
7 Three members must be representatives of the general public.

8       (c) The governor shall appoint the six fire service members  
9 from a list of eligible persons submitted by the State Firemen's  
10 and Fire Marshals' Association of Texas.

11       Sec. 419.005. TERMS. Members of the board hold office for  
12 staggered terms of six years with three members' terms, including  
13 the term of one public member, expiring February 1 of each  
14 odd-numbered year.

15       Sec. 419.006. OFFICERS; MEETINGS. (a) The board annually  
16 shall elect a chairman and a vice-chairman.

17       (b) The board shall meet at the call of the chairman or of a  
18 majority of the members, or as provided by board rules.

19       Sec. 419.007. PER DIEM AND EXPENSES. Each board member is  
20 entitled to a per diem as set by legislative appropriation for each  
21 day that the member engages in board business. A member is also  
22 entitled to compensation for transportation expenses as provided by  
23 the General Appropriations Act, but may not receive any  
24 compensation for other travel expenses, such as expenses for meals  
25 and lodging.

26       Sec. 419.008. APPLICATION OF SUNSET ACT. The board is  
27 subject to the Texas Sunset Act (Chapter 325). Unless continued in

1 existence as provided by that Act, the board is abolished and this  
2 chapter expires September 1, 2001.

3 Sec. 419.009. GENERAL DUTIES OF BOARD. The board shall:

4 (1) administer the fire department emergency program  
5 as provided by this chapter and board rules;

6 (2) contract with professional experts as necessary to  
7 assist the board in carrying out its powers and duties under this  
8 chapter;

9 (3) adopt rules for the administration of this  
10 chapter;

11 (4) adopt and use a seal;

12 (5) administer oaths and take testimony on matters  
13 within the board's jurisdiction;

14 (6) keep an accurate record of its meetings, receipts,  
15 and disbursements;

16 (7) submit to the presiding officers of each house of  
17 the legislature an annual report of the board's activities; and

18 (8) consider and approve applications for  
19 scholarships, grants, loans, and other financial assistance as  
20 provided by this chapter.

21 Sec. 419.010. EXECUTIVE DIRECTOR; EMPLOYEES. (a) The board  
22 shall employ an executive director to be the chief administrative  
23 officer of the program. The board may delegate to the executive  
24 director full authority to manage and operate the program, subject  
25 only to board orders.

26 (b) The executive officer shall employ persons necessary for  
27 the proper management of the program.

1       (c) The board shall determine the terms of employment and  
2 the compensation to be paid to employees under this section.

3       Sec. 419.011. CREATION OF PROGRAM. The fire department  
4 emergency program is created to provide scholarships, grants,  
5 loans, and other financial assistance to local fire departments and  
6 other public fire-fighting organizations.

7       Sec. 419.012. FIRE DEPARTMENT EMERGENCY FUND. (a) In  
8 accordance with Article III, Section 51-a-1, of the Texas  
9 Constitution, a special fund is created in the state treasury to be  
10 known as the fire department emergency fund.

11       (b) An amount equal to one percent of the gross premiums on  
12 fire insurance and allied lines collected under Article 5.49,  
13 Insurance Code, shall be deposited to the credit of the fund, as  
14 provided by Article 5.49, Insurance Code.

15       (c) The board shall administer appropriations from the fund.  
16 The board may use appropriations of money from the fund only to  
17 provide scholarships, grants, loans, and other financial assistance  
18 under this chapter and to pay the administrative costs of the  
19 board. Not more than five percent of the money in the fund may be  
20 used to pay administrative costs.

21       (d) The board may invest, reinvest, and direct the  
22 investment of money accumulated in the fund. The money may be  
23 invested as provided by Chapter 401, Acts of the 60th Legislature,  
24 Regular Session, 1967 (Article 6252-5a, Vernon's Texas Civil  
25 Statutes).

26       Sec. 419.013. LOANS OR OTHER FINANCIAL ASSISTANCE FOR  
27 EQUIPMENT AND FACILITIES. (a) The board may make loans available

1 or provide other financial assistance to an eligible local fire  
2 department or other public fire-fighting organization to:

3 (1) purchase fire-fighting equipment that is necessary  
4 for the local fire department or other public fire-fighting  
5 organization to meet its fire-fighting responsibilities; or

6 (2) finance equipment and facilities necessary to  
7 comply with federal and state law.

8 (b) The board by rule shall establish guidelines for  
9 determining eligibility for a loan or other financial assistance  
10 under this chapter and for determining the amounts of loans or  
11 other financial assistance that the board may make available to  
12 eligible local fire departments and other public fire-fighting  
13 organizations. To be eligible for a loan or other financial  
14 assistance, a local fire department or other public fire-fighting  
15 organization must establish to the satisfaction of the board that  
16 without a loan or other financial assistance the local fire  
17 department or other public fire-fighting organization would be  
18 unable to purchase necessary fire-fighting equipment.

19 (c) The board by rule shall establish the types of equipment  
20 and facilities that a local fire department or other public  
21 fire-fighting organization may purchase with a loan or other  
22 financial assistance from the board.

23 Sec. 419.014. SCHOLARSHIPS AND GRANTS FOR EDUCATION AND  
24 TRAINING. (a) The board may award scholarships and grants to an  
25 eligible local fire department or other public fire-fighting  
26 organization. A local fire department or other public  
27 fire-fighting organization may use a scholarship or grant awarded

1 under this chapter only to educate and train its members to more  
2 effectively meet the members' fire-fighting responsibilities.

3 (b) The board by rule shall establish guidelines for  
4 determining eligibility for a grant or scholarship under this  
5 chapter and for determining the amount that the board may award to  
6 an eligible local fire department or other public fire-fighting  
7 organization. To be eligible for a scholarship or grant, a local  
8 fire department or other public fire-fighting organization must  
9 establish to the satisfaction of the board that without a  
10 scholarship or grant the local fire department or other public  
11 fire-fighting organization would be unable to adequately train and  
12 educate its members.

13 (c) The board by rule shall determine the types of  
14 educational and training programs for which the board may award a  
15 scholarship or grant under this chapter.

16 Sec. 419.015. APPLICATION FOR SCHOLARSHIP, GRANT, LOAN, OR  
17 OTHER FINANCIAL ASSISTANCE. (a) A local fire department or other  
18 public fire-fighting organization may apply in writing to the board  
19 for a scholarship, grant, loan, or other financial assistance.

20 (b) The application must include the following information:

21 (1) the official name and address of the applicant;

22 (2) the purposes for which the local fire department  
23 or other public fire-fighting organization would use the requested  
24 scholarship, grant, loan, or other financial assistance;

25 (3) the amount of the scholarship, grant, loan, or  
26 other financial assistance requested;

27 (4) if a loan, the proposed plan for repayment;

1           (5) financial information relating to the applicant as  
2 requested by the board; and

3           (6) any other information the board requires in order  
4 to make a decision on the application.

5           (c) The board by rule shall prescribe the form of the  
6 application and the procedure for submitting and processing the  
7 application.

8           Sec. 419.016. REVIEW OF APPLICATION. In addition to the  
9 criteria established by board rules, the board, in reviewing an  
10 application, shall consider:

11           (1) the purpose or purposes for which the applicant  
12 would use the scholarship, grant, loan, or other financial  
13 assistance;

14           (2) the needs of that applicant as compared to the  
15 needs of other eligible applicants;

16           (3) the financial need of the applicant for the money;

17           (4) the availability of other money to the applicant;

18 and

19           (5) the ability of the applicant to finance its  
20 activities without a state scholarship, grant, loan, or other  
21 financial assistance.

22           Sec. 419.017. APPROVAL OR REJECTION OF APPLICATION. The  
23 board by rule shall establish procedures for accepting or rejecting  
24 applications.

25           Sec. 419.018. CONTRACTS, AGREEMENTS, AND OTHER DOCUMENTS.

26           (a) If the board approves a loan application, the board shall  
27 contract with the applicant to provide the funds under this

1 chapter. The board shall provide the funds in accordance with the  
2 terms and conditions provided by this chapter and board rules.

3 (b) The board may execute any other documents necessary to  
4 make a legally binding agreement as to the transfer and expenditure  
5 of the amount to be loaned or awarded and the repayment of any  
6 amount loaned.

7 Sec. 419.019. LIMITATION ON SCHOLARSHIPS, GRANTS, LOANS, AND  
8 OTHER FINANCIAL ASSISTANCE. (a) The board may not make awards or  
9 loans under this chapter to any one applicant in a total amount  
10 that is greater than an amount equal to five percent of the total  
11 amount of money paid to the fund during the preceding fiscal year.

12 (b) The board may not approve an application if the current  
13 appropriations from the fund are insufficient to pay the total  
14 amount requested under the application.

15 Sec. 419.020. DEFAULT ON LOAN. (a) If a local fire  
16 department or other public fire-fighting organization cannot make  
17 payments on a loan made under this chapter, the board shall attempt  
18 to collect from the borrower as provided by this chapter, the terms  
19 of the loan contract, and other agreements.

20 (b) The attorney general, at the request of the board, shall  
21 take all necessary legal action to assist the board in recovering  
22 amounts of a defaulted loan.

23 Sec. 419.021. DEPOSITS TO FUND. All money collected by the  
24 board as loan payments and as payments on defaulted loans shall be  
25 deposited to the credit of the fund.

26 SECTION 2. Article 5.49, Insurance Code, is amended to read  
27 as follows:



1           Art. 5.49. MAINTENANCE TAX ON GROSS PREMIUMS. The State of  
2 Texas by and through the State Board of Insurance shall annually  
3 determine the total rate of assessment on an annual or semiannual  
4 basis, as determined by the Board, and collect a maintenance tax  
5 for all purposes provided by this article in an amount not to  
6 exceed two [~~one-and-one-fourth~~] percent of the correctly reported  
7 gross premiums of fire, lightning, tornado, windstorm, hail, smoke  
8 or smudge, cyclone, earthquake, volcanic eruption, rain, frost and  
9 freeze, weather or climatic conditions, excess or deficiency of  
10 moisture, flood, the rising of the waters of the ocean or its  
11 tributaries, bombardment, invasion, insurrection, riot, civil war  
12 or commotion, military or usurped power, any order of a civil  
13 authority made to prevent the spread of a conflagration, epidemic,  
14 or catastrophe, vandalism or malicious mischief, strike or lockout,  
15 explosion as defined in Article 5.52 of this code, water or other  
16 fluid or substance resulting from the breakage or leakage of  
17 sprinklers, pumps, or other apparatus erected for extinguishing  
18 fires, water pipes, or other conduits or containers insurance  
19 coverage collected by all authorized insurers writing those types  
20 of insurance in this state. The portion of the rate of assessment  
21 for the purpose of providing money for the Fire Department  
22 Emergency Board is one percent of the gross premiums covered by  
23 this article. The tax required by this article is in addition to  
24 all other taxes now imposed or that may be subsequently imposed and  
25 that are not in conflict with this article. The State Board of  
26 Insurance, after taking into account the unexpended funds produced  
27 by this tax, if any, shall adjust the rate of assessment each year

1 to produce the amount of funds that it estimates will be necessary  
2 to pay all the expenses of regulating all classes of insurance  
3 specified by this subchapter during the succeeding year and to  
4 provide to the Fire Department Emergency Board one percent of the  
5 gross premiums covered by this article. The taxes collected shall  
6 be deposited in the State Treasury with the amount collected to pay  
7 expenses of the State Board of Insurance deposited to the credit of  
8 the State Board of Insurance operating fund and the amount  
9 collected for the Fire Department Emergency Board deposited to the  
10 credit of the fire department emergency fund. The money deposited  
11 to the credit of the State Board of Insurance operating fund [and]  
12 shall be spent as authorized by legislative appropriation only on  
13 warrants issued by the comptroller of public accounts pursuant to  
14 duly certified requisitions of the State Board of Insurance. The  
15 State Board of Insurance may elect to collect on a semiannual basis  
16 the tax assessed under this article only from insurers whose tax  
17 liability under this article for the previous tax year was \$2,000  
18 or more. The State Board of Insurance may prescribe and adopt  
19 reasonable rules to implement such payments as it deems advisable,  
20 not inconsistent with this article. The money deposited to the  
21 credit of the fire department emergency fund may be spent only as  
22 provided by the law creating the fund.

23 SECTION 3. The taxes from insurance premiums to be  
24 transferred to the fire department emergency fund apply only to  
25 taxes collected under Article 5.49, Insurance Code, beginning in  
26 March 1991. Taxes collected and in the fire insurance division  
27 fund that were collected for any tax year before the tax year for

1    which taxes are collected in March 1991 may not be transferred to  
2    the fire department emergency fund.

3           SECTION 4. As soon as practicable after the effective date  
4    of this Act, the governor shall appoint the initial members of the  
5    Fire Department Emergency Board, as provided by this Act. The  
6    governor shall designate three members to serve terms expiring  
7    February 1, 1993, three members to serve terms expiring February 1,  
8    1995, and three members to serve terms expiring February 1, 1997.

9           SECTION 5. This Act takes effect January 1, 1991, but only  
10   if the constitutional amendment proposed by the 71st Legislature,  
11   Regular Session, 1989, authorizing the creation of the fire  
12   department emergency fund, is approved by the voters. If that  
13   amendment is not approved by the voters, this Act has no effect.

14          SECTION 6. The importance of this legislation and the  
15   crowded condition of the calendars in both houses create an  
16   emergency and an imperative public necessity that the  
17   constitutional rule requiring bills to be read on three several  
18   days in each house be suspended, and this rule is hereby suspended.

# HOUSE COMMITTEE REPORT

69 MAR 29 AM 8:59  
HOUSE OF REPRESENTATIVES

## 1st Printing

By Perry

H.B. No. 708

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Sec. 419.002. PURPOSE. The purpose of this chapter is to promote efficient fire protection for the residents of this state by providing to eligible local fire departments and public fire-fighting organizations:

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10       known as the fire department emergency fund.

11       (b) An amount equal to one percent of the gross premiums on  
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14       provided by Article 5.49, Insurance Code.

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19       board. Not more than five percent of the money in the fund may be  
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21       (d) The board may invest, reinvest, and direct the  
22       investment of money accumulated in the fund. The money may be  
23       invested as provided by Chapter 401, Acts of the 60th Legislature,  
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19 for a scholarship, grant, loan, or other financial assistance.

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9 criteria established by board rules, the board, in reviewing an  
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15 needs of other eligible applicants;

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20 activities without a state scholarship, grant, loan, or other  
21 financial assistance.

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24 applications.

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19 of the loan contract, and other agreements.

20 (b) The attorney general, at the request of the board, shall  
21 take all necessary legal action to assist the board in recovering  
22 amounts of a defaulted loan.

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8 or smudge, cyclone, earthquake, volcanic eruption, rain, frost and  
9 freeze, weather or climatic conditions, excess or deficiency of  
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11 tributaries, bombardment, invasion, insurrection, riot, civil war  
12 or commotion, military or usurped power, any order of a civil  
13 authority made to prevent the spread of a conflagration, epidemic,  
14 or catastrophe, vandalism or malicious mischief, strike or lockout,  
15 explosion as defined in Article 5.52 of this code, water or other  
16 fluid or substance resulting from the breakage or leakage of  
17 sprinklers, pumps, or other apparatus erected for extinguishing  
18 fires, water pipes, or other conduits or containers insurance  
19 coverage collected by all authorized insurers writing those types  
20 of insurance in this state. The portion of the rate of assessment  
21 for the purpose of providing money for the Fire Department  
22 Emergency Board is one percent of the gross premiums covered by  
23 this article. The tax required by this article is in addition to  
24 all other taxes now imposed or that may be subsequently imposed and  
25 that are not in conflict with this article. The State Board of  
26 Insurance, after taking into account the unexpended funds produced  
27 by this tax, if any, shall adjust the rate of assessment each year

1 to produce the amount of funds that it estimates will be necessary  
2 to pay all the expenses of regulating all classes of insurance  
3 specified by this subchapter during the succeeding year and to  
4 provide to the Fire Department Emergency Board one percent of the  
5 gross premiums covered by this article. The taxes collected shall  
6 be deposited in the State Treasury with the amount collected to pay  
7 expenses of the State Board of Insurance deposited to the credit of  
8 the State Board of Insurance operating fund and the amount  
9 collected for the Fire Department Emergency Board deposited to the  
10 credit of the fire department emergency fund. The money deposited  
11 to the credit of the State Board of Insurance operating fund [and]  
12 shall be spent as authorized by legislative appropriation only on  
13 warrants issued by the comptroller of public accounts pursuant to  
14 duly certified requisitions of the State Board of Insurance. The  
15 State Board of Insurance may elect to collect on a semiannual basis  
16 the tax assessed under this article only from insurers whose tax  
17 liability under this article for the previous tax year was \$2,000  
18 or more. The State Board of Insurance may prescribe and adopt  
19 reasonable rules to implement such payments as it deems advisable,  
20 not inconsistent with this article. The money deposited to the  
21 credit of the fire department emergency fund may be spent only as  
22 provided by the law creating the fund.

23 SECTION 3. The taxes from insurance premiums to be  
24 transferred to the fire department emergency fund apply only to  
25 taxes collected under Article 5.49, Insurance Code, beginning in  
26 March 1991. Taxes collected and in the fire insurance division  
27 fund that were collected for any tax year before the tax year for

1    which taxes are collected in March 1991 may not be transferred to  
2    the fire department emergency fund.

3            SECTION 4. As soon as practicable after the effective date  
4    of this Act, the governor shall appoint the initial members of the  
5    Fire Department Emergency Board, as provided by this Act. The  
6    governor shall designate three members to serve terms expiring  
7    February 1, 1993, three members to serve terms expiring February 1,  
8    1995, and three members to serve terms expiring February 1, 1997.

9            SECTION 5. This Act takes effect January 1, 1991, but only  
10   if the constitutional amendment proposed by the 71st Legislature,  
11   Regular Session, 1989, authorizing the creation of the fire  
12   department emergency fund, is approved by the voters. If that  
13   amendment is not approved by the voters, this Act has no effect.

14           SECTION 6. The importance of this legislation and the  
15   crowded condition of the calendars in both houses create an  
16   emergency and an imperative public necessity that the  
17   constitutional rule requiring bills to be read on three several  
18   days in each house be suspended, and this rule is hereby suspended.

COMMITTEE AMENDMENT NO. 1

Amend H.B. 708 as follows:

On page 1, after line 15, add:

(4) "Eligible local fire departments and public fire-fighting organizations" means a municipal fire department or a volunteer fire department or a publicly supported organization that provides equipment and/or training to fire departments.

On page 2, line 4, strike "nine members", replace with "seven members".

On page 2, line 6, strike "six members", replace with "five members".

On page 2, line 7, strike "three members", replace with "two members".

On page 2, line 8, strike "the six", replace with "three".

On page 2, line 10, add: "The governor shall appoint two members from a list of eligible persons submitted by the Texas State Association of Fire Fighters. A minimum of three eligible persons shall be submitted for each fire service place on the Board."

On page 2, lines 11 through 14, strike Section 419.005, add:

"Sec. 419.005. TERMS. Members of the board hold office for staggered terms of six years with terms expiring February 1 of each even-numbered year."

On page 4, line 21, add:

"(d) After payment of administrative costs, the Board shall return 30% of the remaining funds collected to the commissioners court of the county in which the funds under Article 5.49,

1     Insurance Code, were initially collected. The funds returned to  
2     the commissioners court shall be used exclusively for training and  
3     equipping fire departments in that county. The commissioners court  
4     shall annually submit to the Board an itemized list of its  
5     disbursements and the purposes for which the funds were spent  
6     within 60 days after the end of their fiscal year. If the county  
7     required to account for its disbursements and purposes for which  
8     the funds were spent fails to make a filed report within 60 days  
9     after the end of its fiscal year, the county shall forfeit its  
10    right to any funds to be returned to the county until the required  
11    report is filed. The county will not have a right to recover the  
12    funds during the period the report was overdue. Forfeited funds  
13    will be available for use by the Board under Section 419.013 of  
14    this Act."

15             On page 2, line 21, strike "(d)", replace with "(e)".

16             On page 10, line 23, through page 11, line 8: underline as  
17     new language.

18             On page 10, line 26, strike "March 1991", replace with "March  
19     1990".

20             On page 11, line 1, strike "March 1991", replace with "March  
21     1990".

22             On page 11, lines 6 through 8, strike "three members to serve  
23     terms expiring February 1, 1993, three members to serve terms  
24     expiring February 1, 1995, and three members to serve terms  
25     expiring February 1, 1997.", replace with "two members to serve  
26     terms expiring February 1, 1992, two members to serve terms  
27     expiring February 1, 1994, and three members to serve terms



H.B. No. 708

1 expiring February 1, 1996."

2           On page 11, line 9, strike "January 1, 1991", replace with  
3 "January 1, 1990".

4

Perry

# COMMITTEE REPORT

The Honorable Gib Lewis  
Speaker of the House of Representatives

3-24-89  
(date)

Sir:

We, your COMMITTEE ON APPROPRIATIONS,

to whom was referred HB 708 (measure) have had the same under consideration and beg to report back with the recommendation that it

( ) do pass, without amendment.

(☒) do pass, with amendment(s).

( ) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested. (☒) yes ( ) no

An actuarial analysis was requested. ( ) yes (☒) no

An author's fiscal statement was requested. ( ) yes (☒) no

A criminal justice policy impact statement was prepared. (☒) yes ( ) no

A water development policy impact statement was requested. ( ) yes (☒) no

( ) The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars for placement on the ( ) Local, ( ) Consent, or ( ) Resolutions Calendar.

This measure (☒) proposes new law. (☒) amends existing law.

House Sponsor of Senate Measure \_\_\_\_\_

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Rudd, Ch.				<input checked="" type="checkbox"/>
Williamson, V.C.	<input checked="" type="checkbox"/>			
Cavazos	<input checked="" type="checkbox"/>			
Carter			<input checked="" type="checkbox"/>	
Colbert	<input checked="" type="checkbox"/>			
Collazo	<input checked="" type="checkbox"/>			
Connelly		<input checked="" type="checkbox"/>		
Danburg		<input checked="" type="checkbox"/>		
Denton				<input checked="" type="checkbox"/>
Earley	<input checked="" type="checkbox"/>			
Evans				<input checked="" type="checkbox"/>
Garcia	<input checked="" type="checkbox"/>			
Harris, C.	<input checked="" type="checkbox"/>			
Hollowell	<input checked="" type="checkbox"/>			
Lewis, R.	<input checked="" type="checkbox"/>			
Madla	<input checked="" type="checkbox"/>			
Martinez		<input checked="" type="checkbox"/>		
McKinney				<input checked="" type="checkbox"/>
Moreno, A.	<input checked="" type="checkbox"/>			
Perry	<input checked="" type="checkbox"/>			
Tallas				<input checked="" type="checkbox"/>
Vowell				<input checked="" type="checkbox"/>
Watkins	<input checked="" type="checkbox"/>			

Total

13 aye

3 nay

1 present, not voting

6 absent

CHAIRMAN, Acting

COMMITTEE COORDINATOR

## BILL ANALYSIS

H.B. 708  
By: Perry

Committee on  
Appropriations

### BACKGROUND

Small and rural fire departments have voiced concern regarding the purchase of equipment and facilities necessary in meeting their fire-fighting responsibilities. This act would establish a state emergency fund which would afford needy departments a means of obtaining funds either through loans or in some cases grants in order to finance equipment purchases and educational programs.

### PURPOSE

This legislation proposes the establishment of a fire department emergency fund under the jurisdiction of the fire department emergency board; and to propose funding of this program by an increase in the maintenance tax on the gross premiums of certain types of insurance.

### SECTION-BY-SECTION ANALYSIS

#### SECTION 1

Amends Title 4 of the Government Code by adding Chapter 419, to read as follows:

##### Section 419.001

DEFINITIONS. Defines board, fund, program.

##### Section 419.002

PURPOSE. To provide (1) financial assistance in buying necessary equipment and facilities and (2) scholarships and grants for education and training to eligible fire-fighting organizations.

##### Section 419.003

CREATION OF BOARD. Creates the Fire Department Emergency Board.

##### Section 419.004

##### MEMBERSHIP:

- (a) Made up of nine governor-appointed members with senate consent.
- (b) Composition must include six involved in fire service activities and three from the general public.
- (c) The six involved in fire service are appointed from an eligibility list supplied by the State Fireman's and Fire Marshals' Association.

##### Section 419.005

TERMS. Board members serve staggered terms of six years with three member's terms plus one public member expiring February 1 each odd-numbered year.

##### Section 419.006

OFFICERS: MEETING. Gives election procedure of chairpersons and his duty to call meetings.

##### Section 419.007

PER DIEM AND EXPENSES. Provides per diem for official business and prohibits meal and lodging compensation.

Section 419.008

APPLICATION OF SUNSET ACT. Board is subject to Sunset Act.

Section 419.009

GENERAL DUTIES OF BOARD. Requires board to administer emergency program, carry out contracts, adopt rules and a seal, take testimony on board matters, keep records of: meetings, receipts, disbursements; submit annual reports to Legislature and oversee financial assistance applications.

Section 419.010

EXECUTIVE DIRECTOR: EMPLOYEES. Requires board to employ a chief administrator whom it may delegate full management responsibilities.

Section 419.011

CREATION OF PROGRAM. Outlines types of assistance this program provides.

Section 419.012

FIRE DEPARTMENT EMERGENCY FUND. Creates fire department emergency fund made up of one percent of the gross premiums collected under Article 5.49, Insurance Code, on fire insurance and allied loans; requires board to notify State Board of Insurance as to budget requirements, administer fund, and invest fund.

Section 419.013

LOANS OR OTHER FINANCIAL ASSISTANCE FOR EQUIPMENT AND FACILITIES. Allows board to provide aid to organizations to purchase specific items and to set guidelines in awarding it.

Section 419.014

SCHOLARSHIPS AND GRANTS FOR EDUCATION AND TRAINING. Allows board to award funding for educational and training purposes only and to set up eligibility guidelines for awards.

Section 419.015

APPLICATIONS FOR SCHOLARSHIPS, GRANTS, LOANS, AND OTHER FINANCIAL ASSISTANCE. Enumerates information an applicant must supply.

Section 419.016

REVIEW OF APPLICATION. Requires board to consider purpose, comparative needs, and alternative resources.

Section 419.017

APPROVAL OR REJECTION OF AN APPLICATION. Requires board to set up appropriate procedure.

Section 419.018

CONTRACTS, AGREEMENTS AND OTHER DOCUMENTS. Allows board to make necessary legal contract.

Section 419.019

LIMITATION ON SCHOLARSHIPS, GRANTS, LOANS, AND OTHER FINANCIAL ASSISTANCE. Sets limits on amount of award.

Section 419.020

DEFAULT ON LOANS. Requires board to collect from borrower or request assistance from the Attorney General.

Section 419.021

DEPOSITS TO FUND. Requires all collected monies to be deposited to the credit of the fund.

SECTION 2

Amends Article 549, Insurance Code, to read as follows:  
MAINTENANCE TAX ON GROSS PREMIUMS. The State of Texas is required to assess and collect not exceeding 2% of the gross fire premiums and the portion of the assessment for the funding to the Fire Department Emergency Board may not exceed 1%.

SECTION 3

Only taxes collected from March 1991.

SECTION 4

APPOINTMENT OF INITIAL MEMBERS. Requires governor to appoint members and assign terms.

SECTION 5

EFFECTIVE DATE. Would take effect January 1, 1991, subject to voter approval of constitutional amendment.

SECTION 6

Emergency Clause.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill delegates rule making authority to the Fire Department Emergency Board in governing the following:

- (1) adoption of administrative rules
- (2) regulating eligibility and amount of financial assistance
- (3) designating specific types of equipment and facilities a recipient of aid may purchase
- (4) designating types of educational and training programs a recipient of aid may conduct
- (5) establishing an application process of approval and rejection of applicants

SUMMARY OF COMMITTEE ACTION

The committee took up the measure in a formal meeting on March 24, 1989. On this date the committee voted to report the bill favorably, with amendment, back to the full House with the recommendation that it do pass and be printed. The motion carried on a record vote of 13 ayes, 3 nays, 1 present and not voting and 6 absent.

# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

March 23, 1989

TO: Honorable Jim D. Rudd, Chair  
Committee on Appropriations  
House of Representatives  
Austin, Texas

In Re: House Bill No. 708  
By: Perry

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on House Bill No. 708 (relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board, and to funding of the program by an increase in the maintenance tax on the gross premiums of certain types of insurance) this office has determined the following:

The bill would create the Fire Department Emergency Board which would have nine members appointed by the Governor. The board would have an executive director and members would be reimbursed for transportation expenses.

A special fund would be created in the State Treasury known as the Fire Department Emergency Fund and funds would be used to provide scholarships, grants and other financial assistance to local fire departments. This fund would receive the revenue from a maintenance tax of one percent on fire and allied lines insurance premiums.

The effective date of this bill would be January 1, 1991, assuming a constitutional amendment is approved by the voters which creates the Fire Department Emergency Fund.

The probable revenue gain from implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

<u>Fiscal Year</u>	<u>Probable Revenue Gain to the Fire Department Emergency Fund</u>
1990	-0-
1991	\$32,310,000
1992	33,280,000
1993	34,280,000
1994	35,310,000

Similar annual revenue gains would continue as long as the provisions of the bill are in effect.

The fiscal implication to units of local government cannot be determined.

Criminal Justice Policy Impact Statement: No change in the sanctions applicable to adults convicted of felony crimes is anticipated.

Source: Comptroller of Public Accounts;  
LBB Staff: JO, JWH, AL, CKM

On page 1, after line 15, add:

(4) "eligible local fire departments and public firefighting organizations" means a municipal fire department or a volunteer fire department or a publicly-supported organization that provides equipment and/or training to fire departments.

On page 2, line 4, strike "nine members", replace with "seven members"

On page 2, line 6, strike "six members", replace with "five members"

On page 2, line 7, strike "three members", replace with "two members"

On page 2, line 8: strike "the six", replace with "three"

On page 2, line 10 add: "The governor shall appoint two members from a list of eligible persons submitted by the Texas State Association of Fire Fighters. A minimum of three eligible persons shall be submitted for each fire service place on the Board."

On page 2, lines 11 through 14, strike Section 419.005, add: "Sec. 419.005. TERMS. Members of the board hold office for staggered terms of six years with terms expiring February 1 of each even-numbered year."

On page 4, line 21 add: "(d) After payment of administrative costs, the Board shall return 30% of the remaining funds collected to the commissioners court of the county in which the funds under Article 5.49, Insurance Code, were initially collected. The funds returned to the commissioners court shall be used exclusively for training and equipping fire departments in that county. The commissioners court shall annually submit to the Board an itemized list of its disbursements and the purposes for which the funds were spent within 60 days after the end of their fiscal year. If the county required to account for its disbursements and purposes for which the funds were spent fails to make a filed report within 60 days after the end of its fiscal year, the county shall forfeit its right to any funds to be returned to the county until the required report is filed. The county will not have a right to recover the funds during the period the report was overdue. Forfeited funds will be available for use by the Board under Section 419.013 of this Act."

On page 2, line 21, strike "(d)", replace with "(e)"

On page 10, line 23 through page 11, line 8: underline as new language.

On page 10, line 26, strike "March 1991", replace with "March 1990"

On page 11, line 1, strike "March 1991", replace with "March 1990"

Dianne -  
Floor amendment  
cut off the committee  
amendment -  
please put this in  
file with original

On page 11, lines 6 through 8, strike "three members to serve terms expiring February 1, 1993, three members to serve terms expiring February 1, 1995, and three members to serve terms expiring February 1, 1997.", replace with "two members to serve terms expiring February 1, 1992, two members to serve terms expiring February 1, 1994, and three members to serve terms expiring February 1, 1996.

On page 11, line 9, strike "January 1, 1991", replace with "January 1, 1990"



**ADOPTED**

MAY 9 1989

*Betty Manning*  
Chief Clerk  
House of Representatives

AMENDMENT NO. ①

BY Perry

1 Amend H.B. 708 by striking all below the enacting clause and  
2 substituting the following:

3 SECTION 1. Sections 417.001 through 417.009, Government  
4 Code, are designated as Subchapter A, Chapter 417, Government Code,  
5 as follows:

6 SUBCHAPTER A. OFFICE OF STATE FIRE MARSHAL

7 SECTION 2. Section 417.001, Government Code, is amended to  
8 read as follows:

9 Sec. 417.001. DEFINITION. In this subchapter [~~chapter~~],  
10 "board" means the State Board of Insurance.

11 SECTION 3. Chapter 417, Government Code, is amended by  
12 adding Subchapter B to read as follows:

13 SUBCHAPTER B. FIRE DEPARTMENT EMERGENCY BOARD

14 Sec. 417.021. DEFINITIONS. In this subchapter:

15 (1) "Board" means the Fire Department Emergency Board.

16 (2) "Program" means the fire department emergency  
17 program.

18 (3) "Eligible local fire departments and public  
19 fire-fighting organizations" means municipal fire departments,  
20 volunteer fire departments, and publicly supported organizations  
21 that provide equipment or training to fire departments.

22 Sec. 417.022. PURPOSE. The purpose of this subchapter is to  
23 promote efficient fire protection for the residents of this state  
24 by providing to eligible local fire departments and public

1 fire-fighting organizations:

2 (1) long-term or low interest loans or other financial  
3 assistance as the board considers necessary to purchase necessary  
4 fire-fighting equipment and facilities; and

5 (2) scholarships and grants to better educate and  
6 train their members.

7 Sec. 417.023. CREATION OF BOARD. (a) The Fire Department  
8 Emergency Board is created as an adjunct to the state fire  
9 marshal's office.

10 (b) The state fire marshal shall provide to the board  
11 necessary office space and equipment and shall share administrative  
12 functions to the extent possible. At the board's request, the  
13 state fire marshal may provide to the board the staff necessary to  
14 assist the board in administering this subchapter.

15 Sec. 417.024. MEMBERSHIP. (a) The board is composed of  
16 seven members appointed by the governor with the advice and consent  
17 of the senate.

18 (b) Five members must be involved in fire service  
19 activities. Two members must be representatives of the general  
20 public.

21 (c) The governor shall appoint three fire service members  
22 from a list of eligible persons submitted by the State Firemen's  
23 and Fire Marshals' Association of Texas. The governor shall  
24 appoint two fire service members from a list of eligible persons  
25 submitted by the Texas State Association of Fire Fighters. Each  
26 list must contain the names of at least three eligible persons for  
27 each appointment that will be made from that list.

1       Sec. 417.025. TERMS. Members of the board hold office for  
2 two-year terms that expire on February 1 of each odd-numbered year.

3       Sec. 417.026. OFFICERS; MEETINGS. (a) The board annually  
4 shall elect a chairman and a vice-chairman.

5       (b) The board shall meet at the call of the chairman or of a  
6 majority of the members, or as provided by board rules.

7       Sec. 417.027. PER DIEM AND EXPENSES. Each board member is  
8 entitled to a per diem as set by legislative appropriation for each  
9 day that the member engages in board business. A member is also  
10 entitled to compensation for transportation expenses as provided by  
11 the General Appropriations Act, but may not receive any  
12 compensation for other travel expenses, such as expenses for meals  
13 and lodging.

14       Sec. 417.028. APPLICATION OF SUNSET ACT. The Fire  
15 Department Emergency Board is subject to the Texas Sunset Act  
16 (Chapter 325). Unless continued in existence as provided by that  
17 Act, the board is abolished and this subchapter expires September  
18 1, 2001.

19       Sec. 417.029. GENERAL POWERS AND DUTIES OF BOARD. (a) The  
20 board shall:

21               (1) administer the fire department emergency program  
22 as provided by this subchapter and board rules;

23               (2) contract with professional experts as necessary to  
24 assist the board in carrying out its powers and duties under this  
25 subchapter;

26               (3) adopt rules for the administration of this  
27 subchapter;

1                   (4) adopt and use a seal;  
2                   (5) administer oaths and take testimony on matters  
3 within the board's jurisdiction;  
4                   (6) keep an accurate record of its meetings, receipts,  
5 and disbursements;  
6                   (7) submit to the presiding officers of each house of  
7 the legislature an annual report of the board's activities; and  
8                   (8) consider and approve or disapprove applications  
9 for scholarships, grants, loans, and other financial assistance as  
10 provided by this subchapter.

11           (b) The board may accept gifts, grants, and donations for  
12 use in carrying out the purposes of this subchapter.

13           Sec. 417.030. PROGRAM DIRECTOR; EMPLOYEES. (a) The board  
14 shall employ a director to be the chief administrative officer of  
15 the program. The board may delegate to the director full authority  
16 to manage and operate the program, subject only to board orders.

17           (b) The director may employ persons necessary for the proper  
18 management of the program or make use of persons employed by and  
19 made available by the state fire marshal, as appropriate.

20           (c) The board shall determine the terms of employment and  
21 the compensation to be paid to employees employed by the director  
22 under this section. Before adopting its annual budget, the board  
23 must submit its proposed budget to the state fire marshal for  
24 review and comment, but the state fire marshal's approval is not  
25 necessary for the board's adoption of its budget.

26           Sec. 417.031. CREATION OF PROGRAM. The fire department  
27 emergency program is created to provide scholarships, grants,

1 loans, and other financial assistance to eligible local fire  
2 departments and other public fire-fighting organizations.

3 Sec. 417.032. LOANS OR OTHER FINANCIAL ASSISTANCE FOR  
4 EQUIPMENT AND FACILITIES. (a) The board may make loans available  
5 or provide other financial assistance to an eligible local fire  
6 department or other public fire-fighting organization to:

7 (1) purchase fire-fighting equipment that is necessary  
8 for the local fire department or other public fire-fighting  
9 organization to meet its fire-fighting responsibilities; or

10 (2) finance equipment and facilities necessary to  
11 comply with federal and state law.

12 (b) The board by rule shall establish guidelines for  
13 determining eligibility for a loan or other financial assistance  
14 under this subchapter and for determining the amounts of loans or  
15 other financial assistance that the board may make available to  
16 eligible local fire departments and other public fire-fighting  
17 organizations. To be eligible for a loan or other financial  
18 assistance, a local fire department or other public fire-fighting  
19 organization must establish to the satisfaction of the board that  
20 without a loan or other financial assistance the local fire  
21 department or other public fire-fighting organization would be  
22 unable to purchase necessary fire-fighting equipment.

23 (c) The board by rule shall establish the types of equipment  
24 and facilities that a local fire department or other public  
25 fire-fighting organization may purchase with a loan or other  
26 financial assistance from the board.

27 Sec. 417.033. REVOLVING FUND. The comptroller shall

1 establish in the state treasury the Fire Department Emergency Board  
2 revolving fund account. All money collected by the board as loan  
3 payments and as payments on defaulted loans shall be deposited to  
4 the credit of the fund. Money deposited in the fund shall be used  
5 to make other loans under the program created by this subchapter.

6 Sec. 417.034. SCHOLARSHIPS AND GRANTS FOR EDUCATION AND  
7 TRAINING. (a) The board may award scholarships and grants to an  
8 eligible local fire department or other public fire-fighting  
9 organization. A local fire department or other public  
10 fire-fighting organization may use a scholarship or grant awarded  
11 under this subchapter only to educate and train its members to more  
12 effectively meet the members' fire-fighting responsibilities.

13 (b) The board by rule shall establish guidelines for  
14 determining eligibility for a grant or scholarship under this  
15 subchapter and for determining the amount that the board may award  
16 to an eligible local fire department or other public fire-fighting  
17 organization. To be eligible for a scholarship or grant, a local  
18 fire department or other public fire-fighting organization must  
19 establish to the satisfaction of the board that without a  
20 scholarship or grant the local fire department or other public  
21 fire-fighting organization would be unable to adequately train and  
22 educate its members.

23 (c) The board by rule shall determine the types of  
24 educational and training programs for which the board may award a  
25 scholarship or grant under this subchapter.

26 Sec. 417.035. APPLICATION FOR SCHOLARSHIP, GRANT, LOAN, OR  
27 OTHER FINANCIAL ASSISTANCE. (a) A local fire department or other

1 public fire-fighting organization may apply in writing to the board  
2 for a scholarship, grant, loan, or other financial assistance.

3 (b) The application must include the following information:

4 (1) the official name and address of the applicant;

5 (2) the purposes for which the local fire department  
6 or other public fire-fighting organization would use the requested  
7 scholarship, grant, loan, or other financial assistance;

8 (3) the amount of the scholarship, grant, loan, or  
9 other financial assistance requested;

10 (4) if a loan, the proposed plan for repayment;

11 (5) financial information relating to the applicant as  
12 requested by the board; and

13 (6) any other information the board requires in order  
14 to make a decision on the application.

15 (c) The board by rule shall prescribe the form of the  
16 application and the procedure for submitting and processing the  
17 application.

18 Sec. 417.036. REVIEW OF APPLICATION. In addition to the  
19 criteria established by board rules, the board, in reviewing an  
20 application, shall consider:

21 (1) the purpose or purposes for which the applicant  
22 would use the scholarship, grant, loan, or other financial  
23 assistance;

24 (2) the needs of that applicant as compared to the  
25 needs of other eligible applicants;

26 (3) the financial need of the applicant for the money;

27 (4) the availability of other money to the applicant;

1 and

2 (5) the ability of the applicant to finance its  
3 activities without a state scholarship, grant, loan, or other  
4 financial assistance.

5 Sec. 417.037. APPROVAL OR REJECTION OF APPLICATION. The  
6 board by rule shall establish procedures for accepting or rejecting  
7 applications.

8 Sec. 417.038. CONTRACTS, AGREEMENTS, AND OTHER DOCUMENTS.  
9 (a) If the board approves a loan application, the board shall  
10 contract with the applicant to provide the funds under this  
11 subchapter. The board shall provide the funds in accordance with  
12 the terms and conditions provided by this subchapter and board  
13 rules.

14 (b) The board may execute any other documents necessary to  
15 make a legally binding agreement as to the transfer and expenditure  
16 of the amount to be loaned or awarded and the repayment of any  
17 amount loaned.

18 Sec. 417.039. LIMITATION ON SCHOLARSHIPS, GRANTS, LOANS, AND  
19 OTHER FINANCIAL ASSISTANCE. (a) The board may not make awards or  
20 loans under this subchapter to any one applicant in a total amount  
21 that is greater than an amount equal to five percent of the total  
22 amount of money appropriated to the program for the fiscal year  
23 during which the award or loan is made.

24 (b) The board may not approve an application if the current  
25 appropriations for the program are insufficient to pay the total  
26 amount requested under the application.

27 Sec. 417.040. DEFAULT ON LOAN. (a) If a local fire



1 department or other public fire-fighting organization cannot make  
2 payments on a loan made under this subchapter, the board shall  
3 attempt to collect from the borrower as provided by this  
4 subchapter, the terms of the loan contract, and other agreements.

5 (b) The attorney general, at the request of the board, shall  
6 take all necessary legal action to assist the board in recovering  
7 amounts of a defaulted loan.

8 SECTION 4. As soon as practicable after the effective date  
9 of this Act, the governor shall appoint the initial members of the  
10 Fire Department Emergency Board, as provided by this Act.

11 SECTION 5. This Act takes effect January 1, 1990, but only  
12 if the constitutional amendment proposed by the 71st Legislature,  
13 Regular Session, 1989, authorizing the state to provide  
14 scholarships, grants, loans, and other financial assistance to  
15 local fire departments and other public fire-fighting organizations  
16 is approved by the voters. If that amendment is not approved by  
17 the voters, this Act has no effect.

18 SECTION 6. The importance of this legislation and the  
19 crowded condition of the calendars in both houses create an  
20 emergency and an imperative public necessity that the  
21 constitutional rule requiring bills to be read on three several  
22 days in each house be suspended, and this rule is hereby suspended.

85 MAY 10 AM 12:17  
HOUSE OF REPRESENTATIVES

ENGROSSED  
SECOND READING

H.B. No. 708

By Perry, et al.

A BILL TO BE ENTITLED

AN ACT

relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 417.001 through 417.009, Government Code, are designated as Subchapter A, Chapter 417, Government Code, as follows:

SUBCHAPTER A. OFFICE OF STATE FIRE MARSHAL

SECTION 2. Section 417.001, Government Code, is amended to read as follows:

Sec. 417.001. DEFINITION. In this subchapter [~~chapter~~], "board" means the State Board of Insurance.

SECTION 3. Chapter 417, Government Code, is amended by adding Subchapter B to read as follows:

SUBCHAPTER B. FIRE DEPARTMENT EMERGENCY BOARD

Sec. 417.021. DEFINITIONS. In this subchapter:

(1) "Board" means the Fire Department Emergency Board.

(2) "Program" means the fire department emergency program.

(3) "Eligible local fire departments and public fire-fighting organizations" means municipal fire departments, volunteer fire departments, and publicly supported organizations that provide equipment or training to fire departments.

1       Sec. 417.022. PURPOSE. The purpose of this subchapter is to  
2 promote efficient fire protection for the residents of this state  
3 by providing to eligible local fire departments and public  
4 fire-fighting organizations:

5               (1) long-term or low interest loans or other financial  
6 assistance as the board considers necessary to purchase necessary  
7 fire-fighting equipment and facilities; and

8               (2) scholarships and grants to better educate and  
9 train their members.

10       Sec. 417.023. CREATION OF BOARD. (a) The Fire Department  
11 Emergency Board is created as an adjunct to the state fire  
12 marshal's office.

13               (b) The state fire marshal shall provide to the board  
14 necessary office space and equipment and shall share administrative  
15 functions to the extent possible. At the board's request, the  
16 state fire marshal may provide to the board the staff necessary to  
17 assist the board in administering this subchapter.

18       Sec. 417.024. MEMBERSHIP. (a) The board is composed of  
19 seven members appointed by the governor with the advice and consent  
20 of the senate.

21               (b) Five members must be involved in fire service  
22 activities. Two members must be representatives of the general  
23 public.

24               (c) The governor shall appoint three fire service members  
25 from a list of eligible persons submitted by the State Firemen's  
26 and Fire Marshals' Association of Texas. The governor shall  
27 appoint two fire service members from a list of eligible persons

1 submitted by the Texas State Association of Fire Fighters. Each  
2 list must contain the names of at least three eligible persons for  
3 each appointment that will be made from that list.

4 Sec. 417.025. TERMS. Members of the board hold office for  
5 two-year terms that expire on February 1 of each odd-numbered year.

6 Sec. 417.026. OFFICERS; MEETINGS. (a) The board annually  
7 shall elect a chairman and a vice-chairman.

8 (b) The board shall meet at the call of the chairman or of a  
9 majority of the members, or as provided by board rules.

10 Sec. 417.027. PER DIEM AND EXPENSES. Each board member is  
11 entitled to a per diem as set by legislative appropriation for each  
12 day that the member engages in board business. A member is also  
13 entitled to compensation for transportation expenses as provided by  
14 the General Appropriations Act, but may not receive any  
15 compensation for other travel expenses, such as expenses for meals  
16 and lodging.

17 Sec. 417.028. APPLICATION OF SUNSET ACT. The Fire  
18 Department Emergency Board is subject to the Texas Sunset Act  
19 (Chapter 325). Unless continued in existence as provided by that  
20 Act, the board is abolished and this subchapter expires September  
21 1, 2001.

22 Sec. 417.029. GENERAL POWERS AND DUTIES OF BOARD. (a) The  
23 board shall:

24 (1) administer the fire department emergency program  
25 as provided by this subchapter and board rules;

26 (2) contract with professional experts as necessary to  
27 assist the board in carrying out its powers and duties under this

1 subchapter;

2 (3) adopt rules for the administration of this  
3 subchapter;

4 (4) adopt and use a seal;

5 (5) administer oaths and take testimony on matters  
6 within the board's jurisdiction;

7 (6) keep an accurate record of its meetings, receipts,  
8 and disbursements;

9 (7) submit to the presiding officers of each house of  
10 the legislature an annual report of the board's activities; and

11 (8) consider and approve or disapprove applications  
12 for scholarships, grants, loans, and other financial assistance as  
13 provided by this subchapter.

14 (b) The board may accept gifts, grants, and donations for  
15 use in carrying out the purposes of this subchapter.

16 Sec. 417.030. PROGRAM DIRECTOR; EMPLOYEES. (a) The board  
17 shall employ a director to be the chief administrative officer of  
18 the program. The board may delegate to the director full authority  
19 to manage and operate the program, subject only to board orders.

20 (b) The director may employ persons necessary for the proper  
21 management of the program or make use of persons employed by and  
22 made available by the state fire marshal, as appropriate.

23 (c) The board shall determine the terms of employment and  
24 the compensation to be paid to employees employed by the director  
25 under this section. Before adopting its annual budget, the board  
26 must submit its proposed budget to the state fire marshal for  
27 review and comment, but the state fire marshal's approval is not

1 necessary for the board's adoption of its budget.

2 Sec. 417.031. CREATION OF PROGRAM. The fire department  
3 emergency program is created to provide scholarships, grants,  
4 loans, and other financial assistance to eligible local fire  
5 departments and other public fire-fighting organizations.

6 Sec. 417.032. LOANS OR OTHER FINANCIAL ASSISTANCE FOR  
7 EQUIPMENT AND FACILITIES. (a) The board may make loans available  
8 or provide other financial assistance to an eligible local fire  
9 department or other public fire-fighting organization to:

10 (1) purchase fire-fighting equipment that is necessary  
11 for the local fire department or other public fire-fighting  
12 organization to meet its fire-fighting responsibilities; or

13 (2) finance equipment and facilities necessary to  
14 comply with federal and state law.

15 (b) The board by rule shall establish guidelines for  
16 determining eligibility for a loan or other financial assistance  
17 under this subchapter and for determining the amounts of loans or  
18 other financial assistance that the board may make available to  
19 eligible local fire departments and other public fire-fighting  
20 organizations. To be eligible for a loan or other financial  
21 assistance, a local fire department or other public fire-fighting  
22 organization must establish to the satisfaction of the board that  
23 without a loan or other financial assistance the local fire  
24 department or other public fire-fighting organization would be  
25 unable to purchase necessary fire-fighting equipment.

26 (c) The board by rule shall establish the types of equipment  
27 and facilities that a local fire department or other public

1 fire-fighting organization may purchase with a loan or other  
2 financial assistance from the board.

3 Sec. 417.033. REVOLVING FUND. The comptroller shall  
4 establish in the state treasury the Fire Department Emergency Board  
5 revolving fund account. All money collected by the board as loan  
6 payments and as payments on defaulted loans shall be deposited to  
7 the credit of the fund. Money deposited in the fund shall be used  
8 to make other loans under the program created by this subchapter.

9 Sec. 417.034. SCHOLARSHIPS AND GRANTS FOR EDUCATION AND  
10 TRAINING. (a) The board may award scholarships and grants to an  
11 eligible local fire department or other public fire-fighting  
12 organization. A local fire department or other public  
13 fire-fighting organization may use a scholarship or grant awarded  
14 under this subchapter only to educate and train its members to more  
15 effectively meet the members' fire-fighting responsibilities.

16 (b) The board by rule shall establish guidelines for  
17 determining eligibility for a grant or scholarship under this  
18 subchapter and for determining the amount that the board may award  
19 to an eligible local fire department or other public fire-fighting  
20 organization. To be eligible for a scholarship or grant, a local  
21 fire department or other public fire-fighting organization must  
22 establish to the satisfaction of the board that without a  
23 scholarship or grant the local fire department or other public  
24 fire-fighting organization would be unable to adequately train and  
25 educate its members.

26 (c) The board by rule shall determine the types of  
27 educational and training programs for which the board may award a

1 scholarship or grant under this subchapter.

2 Sec. 417.035. APPLICATION FOR SCHOLARSHIP, GRANT, LOAN, OR  
3 OTHER FINANCIAL ASSISTANCE. (a) A local fire department or other  
4 public fire-fighting organization may apply in writing to the board  
5 for a scholarship, grant, loan, or other financial assistance.

6 (b) The application must include the following information:

7 (1) the official name and address of the applicant;

8 (2) the purposes for which the local fire department  
9 or other public fire-fighting organization would use the requested  
10 scholarship, grant, loan, or other financial assistance;

11 (3) the amount of the scholarship, grant, loan, or  
12 other financial assistance requested;

13 (4) if a loan, the proposed plan for repayment;

14 (5) financial information relating to the applicant as  
15 requested by the board; and

16 (6) any other information the board requires in order  
17 to make a decision on the application.

18 (c) The board by rule shall prescribe the form of the  
19 application and the procedure for submitting and processing the  
20 application.

21 Sec. 417.036. REVIEW OF APPLICATION. In addition to the  
22 criteria established by board rules, the board, in reviewing an  
23 application, shall consider:

24 (1) the purpose or purposes for which the applicant  
25 would use the scholarship, grant, loan, or other financial  
26 assistance;

27 (2) the needs of that applicant as compared to the



1 needs of other eligible applicants;

2 (3) the financial need of the applicant for the money;

3 (4) the availability of other money to the applicant;

4 and

5 (5) the ability of the applicant to finance its  
6 activities without a state scholarship, grant, loan, or other  
7 financial assistance.

8 Sec. 417.037. APPROVAL OR REJECTION OF APPLICATION. The  
9 board by rule shall establish procedures for accepting or rejecting  
10 applications.

11 Sec. 417.038. CONTRACTS, AGREEMENTS, AND OTHER DOCUMENTS.

12 (a) If the board approves a loan application, the board shall  
13 contract with the applicant to provide the funds under this  
14 subchapter. The board shall provide the funds in accordance with  
15 the terms and conditions provided by this subchapter and board  
16 rules.

17 (b) The board may execute any other documents necessary to  
18 make a legally binding agreement as to the transfer and expenditure  
19 of the amount to be loaned or awarded and the repayment of any  
20 amount loaned.

21 Sec. 417.039. LIMITATION ON SCHOLARSHIPS, GRANTS, LOANS, AND  
22 OTHER FINANCIAL ASSISTANCE. (a) The board may not make awards or  
23 loans under this subchapter to any one applicant in a total amount  
24 that is greater than an amount equal to five percent of the total  
25 amount of money appropriated to the program for the fiscal year  
26 during which the award or loan is made.

27 (b) The board may not approve an application if the current

1 appropriations for the program are insufficient to pay the total  
2 amount requested under the application.

3 Sec. 417.040. DEFAULT ON LOAN. (a) If a local fire  
4 department or other public fire-fighting organization cannot make  
5 payments on a loan made under this subchapter, the board shall  
6 attempt to collect from the borrower as provided by this  
7 subchapter, the terms of the loan contract, and other agreements.

8 (b) The attorney general, at the request of the board, shall  
9 take all necessary legal action to assist the board in recovering  
10 amounts of a defaulted loan.

11 SECTION 4. As soon as practicable after the effective date  
12 of this Act, the governor shall appoint the initial members of the  
13 Fire Department Emergency Board, as provided by this Act.

14 SECTION 5. This Act takes effect January 1, 1990, but only  
15 if the constitutional amendment proposed by the 71st Legislature,  
16 Regular Session, 1989, authorizing the state to provide  
17 scholarships, grants, loans, and other financial assistance to  
18 local fire departments and other public fire-fighting organizations  
19 is approved by the voters. If that amendment is not approved by  
20 the voters, this Act has no effect.

21 SECTION 6. The importance of this legislation and the  
22 crowded condition of the calendars in both houses create an  
23 emergency and an imperative public necessity that the  
24 constitutional rule requiring bills to be read on three several  
25 days in each house be suspended, and this rule is hereby suspended.

# HOUSE ENGROSSMENT

RECEIVED  
JAN 10 1973  
CLERK OF HOUSE

By Perry, et al.

H.B. No. 708

## A BILL TO BE ENTITLED

### AN ACT

relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 417.001 through 417.009, Government Code, are designated as Subchapter A, Chapter 417, Government Code, as follows:

#### SUBCHAPTER A. OFFICE OF STATE FIRE MARSHAL

SECTION 2. Section 417.001, Government Code, is amended to read as follows:

Sec. 417.001. DEFINITION. In this subchapter [~~chapter~~], "board" means the State Board of Insurance.

SECTION 3. Chapter 417, Government Code, is amended by adding Subchapter B to read as follows:

#### SUBCHAPTER B. FIRE DEPARTMENT EMERGENCY BOARD

Sec. 417.021. DEFINITIONS. In this subchapter:

(1) "Board" means the Fire Department Emergency Board.

(2) "Program" means the fire department emergency program.

(3) "Eligible local fire departments and public fire-fighting organizations" means municipal fire departments, volunteer fire departments, and publicly supported organizations that provide equipment or training to fire departments.

1       Sec. 417.022. PURPOSE. The purpose of this subchapter is to  
2 promote efficient fire protection for the residents of this state  
3 by providing to eligible local fire departments and public  
4 fire-fighting organizations:

5               (1) long-term or low interest loans or other financial  
6 assistance as the board considers necessary to purchase necessary  
7 fire-fighting equipment and facilities; and

8               (2) scholarships and grants to better educate and  
9 train their members.

10       Sec. 417.023. CREATION OF BOARD. (a) The Fire Department  
11 Emergency Board is created as an adjunct to the state fire  
12 marshal's office.

13               (b) The state fire marshal shall provide to the board  
14 necessary office space and equipment and shall share administrative  
15 functions to the extent possible. At the board's request, the  
16 state fire marshal may provide to the board the staff necessary to  
17 assist the board in administering this subchapter.

18       Sec. 417.024. MEMBERSHIP. (a) The board is composed of  
19 seven members appointed by the governor with the advice and consent  
20 of the senate.

21               (b) Five members must be involved in fire service  
22 activities. Two members must be representatives of the general  
23 public.

24               (c) The governor shall appoint three fire service members  
25 from a list of eligible persons submitted by the State Firemen's  
26 and Fire Marshals' Association of Texas. The governor shall  
27 appoint two fire service members from a list of eligible persons

1 submitted by the Texas State Association of Fire Fighters. Each  
2 list must contain the names of at least three eligible persons for  
3 each appointment that will be made from that list.

4 Sec. 417.025. TERMS. Members of the board hold office for  
5 two-year terms that expire on February 1 of each odd-numbered year.

6 Sec. 417.026. OFFICERS; MEETINGS. (a) The board annually  
7 shall elect a chairman and a vice-chairman.

8 (b) The board shall meet at the call of the chairman or of a  
9 majority of the members, or as provided by board rules.

10 Sec. 417.027. PER DIEM AND EXPENSES. Each board member is  
11 entitled to a per diem as set by legislative appropriation for each  
12 day that the member engages in board business. A member is also  
13 entitled to compensation for transportation expenses as provided by  
14 the General Appropriations Act, but may not receive any  
15 compensation for other travel expenses, such as expenses for meals  
16 and lodging.

17 Sec. 417.028. APPLICATION OF SUNSET ACT. The Fire  
18 Department Emergency Board is subject to the Texas Sunset Act  
19 (Chapter 325). Unless continued in existence as provided by that  
20 Act, the board is abolished and this subchapter expires September  
21 1, 2001.

22 Sec. 417.029. GENERAL POWERS AND DUTIES OF BOARD. (a) The  
23 board shall:

24 (1) administer the fire department emergency program  
25 as provided by this subchapter and board rules;

26 (2) contract with professional experts as necessary to  
27 assist the board in carrying out its powers and duties under this

1 subchapter;

2 (3) adopt rules for the administration of this  
3 subchapter;

4 (4) adopt and use a seal;

5 (5) administer oaths and take testimony on matters  
6 within the board's jurisdiction;

7 (6) keep an accurate record of its meetings, receipts,  
8 and disbursements;

9 (7) submit to the presiding officers of each house of  
10 the legislature an annual report of the board's activities; and

11 (8) consider and approve or disapprove applications  
12 for scholarships, grants, loans, and other financial assistance as  
13 provided by this subchapter.

14 (b) The board may accept gifts, grants, and donations for  
15 use in carrying out the purposes of this subchapter.

16 Sec. 417.030. PROGRAM DIRECTOR; EMPLOYEES. (a) The board  
17 shall employ a director to be the chief administrative officer of  
18 the program. The board may delegate to the director full authority  
19 to manage and operate the program, subject only to board orders.

20 (b) The director may employ persons necessary for the proper  
21 management of the program or make use of persons employed by and  
22 made available by the state fire marshal, as appropriate.

23 (c) The board shall determine the terms of employment and  
24 the compensation to be paid to employees employed by the director  
25 under this section. Before adopting its annual budget, the board  
26 must submit its proposed budget to the state fire marshal for  
27 review and comment, but the state fire marshal's approval is not

1 necessary for the board's adoption of its budget.

2 Sec. 417.031. CREATION OF PROGRAM. The fire department  
3 emergency program is created to provide scholarships, grants,  
4 loans, and other financial assistance to eligible local fire  
5 departments and other public fire-fighting organizations.

6 Sec. 417.032. LOANS OR OTHER FINANCIAL ASSISTANCE FOR  
7 EQUIPMENT AND FACILITIES. (a) The board may make loans available  
8 or provide other financial assistance to an eligible local fire  
9 department or other public fire-fighting organization to:

10 (1) purchase fire-fighting equipment that is necessary  
11 for the local fire department or other public fire-fighting  
12 organization to meet its fire-fighting responsibilities; or

13 (2) finance equipment and facilities necessary to  
14 comply with federal and state law.

15 (b) The board by rule shall establish guidelines for  
16 determining eligibility for a loan or other financial assistance  
17 under this subchapter and for determining the amounts of loans or  
18 other financial assistance that the board may make available to  
19 eligible local fire departments and other public fire-fighting  
20 organizations. To be eligible for a loan or other financial  
21 assistance, a local fire department or other public fire-fighting  
22 organization must establish to the satisfaction of the board that  
23 without a loan or other financial assistance the local fire  
24 department or other public fire-fighting organization would be  
25 unable to purchase necessary fire-fighting equipment.

26 (c) The board by rule shall establish the types of equipment  
27 and facilities that a local fire department or other public

1 fire-fighting organization may purchase with a loan or other  
2 financial assistance from the board.

3 Sec. 417.033. REVOLVING FUND. The comptroller shall  
4 establish in the state treasury the Fire Department Emergency Board  
5 revolving fund account. All money collected by the board as loan  
6 payments and as payments on defaulted loans shall be deposited to  
7 the credit of the fund. Money deposited in the fund shall be used  
8 to make other loans under the program created by this subchapter.

9 Sec. 417.034. SCHOLARSHIPS AND GRANTS FOR EDUCATION AND  
10 TRAINING. (a) The board may award scholarships and grants to an  
11 eligible local fire department or other public fire-fighting  
12 organization. A local fire department or other public  
13 fire-fighting organization may use a scholarship or grant awarded  
14 under this subchapter only to educate and train its members to more  
15 effectively meet the members' fire-fighting responsibilities.

16 (b) The board by rule shall establish guidelines for  
17 determining eligibility for a grant or scholarship under this  
18 subchapter and for determining the amount that the board may award  
19 to an eligible local fire department or other public fire-fighting  
20 organization. To be eligible for a scholarship or grant, a local  
21 fire department or other public fire-fighting organization must  
22 establish to the satisfaction of the board that without a  
23 scholarship or grant the local fire department or other public  
24 fire-fighting organization would be unable to adequately train and  
25 educate its members.

26 (c) The board by rule shall determine the types of  
27 educational and training programs for which the board may award a



1 scholarship or grant under this subchapter.

2 Sec. 417.035. APPLICATION FOR SCHOLARSHIP, GRANT, LOAN, OR  
3 OTHER FINANCIAL ASSISTANCE. (a) A local fire department or other  
4 public fire-fighting organization may apply in writing to the board  
5 for a scholarship, grant, loan, or other financial assistance.

6 (b) The application must include the following information:

7 (1) the official name and address of the applicant;

8 (2) the purposes for which the local fire department  
9 or other public fire-fighting organization would use the requested  
10 scholarship, grant, loan, or other financial assistance;

11 (3) the amount of the scholarship, grant, loan, or  
12 other financial assistance requested;

13 (4) if a loan, the proposed plan for repayment;

14 (5) financial information relating to the applicant as  
15 requested by the board; and

16 (6) any other information the board requires in order  
17 to make a decision on the application.

18 (c) The board by rule shall prescribe the form of the  
19 application and the procedure for submitting and processing the  
20 application.

21 Sec. 417.036. REVIEW OF APPLICATION. In addition to the  
22 criteria established by board rules, the board, in reviewing an  
23 application, shall consider:

24 (1) the purpose or purposes for which the applicant  
25 would use the scholarship, grant, loan, or other financial  
26 assistance;

27 (2) the needs of that applicant as compared to the

1 needs of other eligible applicants;

2 (3) the financial need of the applicant for the money;

3 (4) the availability of other money to the applicant;

4 and

5 (5) the ability of the applicant to finance its  
6 activities without a state scholarship, grant, loan, or other  
7 financial assistance.

8 Sec. 417.037. APPROVAL OR REJECTION OF APPLICATION. The  
9 board by rule shall establish procedures for accepting or rejecting  
10 applications.

11 Sec. 417.038. CONTRACTS, AGREEMENTS, AND OTHER DOCUMENTS.

12 (a) If the board approves a loan application, the board shall  
13 contract with the applicant to provide the funds under this  
14 subchapter. The board shall provide the funds in accordance with  
15 the terms and conditions provided by this subchapter and board  
16 rules.

17 (b) The board may execute any other documents necessary to  
18 make a legally binding agreement as to the transfer and expenditure  
19 of the amount to be loaned or awarded and the repayment of any  
20 amount loaned.

21 Sec. 417.039. LIMITATION ON SCHOLARSHIPS, GRANTS, LOANS, AND  
22 OTHER FINANCIAL ASSISTANCE. (a) The board may not make awards or  
23 loans under this subchapter to any one applicant in a total amount  
24 that is greater than an amount equal to five percent of the total  
25 amount of money appropriated to the program for the fiscal year  
26 during which the award or loan is made.

27 (b) The board may not approve an application if the current

1 appropriations for the program are insufficient to pay the total  
2 amount requested under the application.

3 Sec. 417.040. DEFAULT ON LOAN. (a) If a local fire  
4 department or other public fire-fighting organization cannot make  
5 payments on a loan made under this subchapter, the board shall  
6 attempt to collect from the borrower as provided by this  
7 subchapter, the terms of the loan contract, and other agreements.

8 (b) The attorney general, at the request of the board, shall  
9 take all necessary legal action to assist the board in recovering  
10 amounts of a defaulted loan.

11 SECTION 4. As soon as practicable after the effective date  
12 of this Act, the governor shall appoint the initial members of the  
13 Fire Department Emergency Board, as provided by this Act.

14 SECTION 5. This Act takes effect January 1, 1990, but only  
15 if the constitutional amendment proposed by the 71st Legislature,  
16 Regular Session, 1989, authorizing the state to provide  
17 scholarships, grants, loans, and other financial assistance to  
18 local fire departments and other public fire-fighting organizations  
19 is approved by the voters. If that amendment is not approved by  
20 the voters, this Act has no effect.

21 SECTION 6. The importance of this legislation and the  
22 crowded condition of the calendars in both houses create an  
23 emergency and an imperative public necessity that the  
24 constitutional rule requiring bills to be read on three several  
25 days in each house be suspended, and this rule is hereby suspended.

# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

March 23, 1989

TO: Honorable Jim D. Rudd, Chair  
Committee on Appropriations  
House of Representatives  
Austin, Texas

In Re: House Bill No. 708  
By: Perry

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on House Bill No. 708 (relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board, and to funding of the program by an increase in the maintenance tax on the gross premiums of certain types of insurance) this office has determined the following:

The bill would create the Fire Department Emergency Board which would have nine members appointed by the Governor. The board would have an executive director and members would be reimbursed for transportation expenses.

A special fund would be created in the State Treasury known as the Fire Department Emergency Fund and funds would be used to provide scholarships, grants and other financial assistance to local fire departments. This fund would receive the revenue from a maintenance tax of one percent on fire and allied lines insurance premiums.

The effective date of this bill would be January 1, 1991, assuming a constitutional amendment is approved by the voters which creates the Fire Department Emergency Fund.

The probable revenue gain from implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

<u>Fiscal Year</u>	<u>Probable Revenue Gain to the Fire Department Emergency Fund</u>
1990	-0-
1991	\$32,310,000
1992	33,280,000
1993	34,280,000
1994	35,310,000

Similar annual revenue gains would continue as long as the provisions of the bill are in effect.

The fiscal implication to units of local government cannot be determined.

Criminal Justice Policy Impact Statement: No change in the sanctions applicable to adults convicted of felony crimes is anticipated.

Source: Comptroller of Public Accounts;  
LBB Staff: JO, JWH, AL, CKM

# SENATE FAVORABLE COMMITTEE REPORT

Lt. Governor William P. Hobby  
President of the Senate

20  
5-19-89/1pm  
(date)/(time)

Sir:

We, your Committee on FINANCE to which was referred  
HB 708 by Perry have on 5-19, 1989, had the same  
(measure) (sponsor) (hearing date)

under consideration and I am instructed to report it back with the recommendation (s) that it

☒ do pass and be printed

☐ do pass and be ordered not printed

☐ and is recommended for placement on the Local and Uncontested Bills Calendar.

A fiscal note was requested. ☒ yes ☐ no

A revised fiscal note was requested. ☐ yes ☒ no

An actuarial analysis was requested. ☐ yes ☒ no

Considered by subcommittee. ☐ yes ☒ no

Senate Sponsor of House Measure Barrientes

The measure was reported from Committee by the following vote:

	YEA	NAY	PNV	ABSENT
Barrientes	<input checked="" type="checkbox"/>			
Brooks	<input checked="" type="checkbox"/>			
Glasgow	<input checked="" type="checkbox"/>			
Harris				<input checked="" type="checkbox"/>
Johnson	<input checked="" type="checkbox"/>			
Krier				<input checked="" type="checkbox"/>
McFarland	<input checked="" type="checkbox"/>			
Montford	<input checked="" type="checkbox"/>			
Parker	<input checked="" type="checkbox"/>			
Santiesteban				<input checked="" type="checkbox"/>
Sims	<input checked="" type="checkbox"/>			
Truan	<input checked="" type="checkbox"/>			
Caperton, Chair	<input checked="" type="checkbox"/>			
TOTAL VOTES	10			3

Lina Martin  
COMMITTEE CLERK

Kent Caperton  
CHAIRMAN

By: Perry, et al. (Senate Sponsor - Barrientos) H.B. No. 708  
(In the Senate - Received from the House May 11, 1989;  
May 12, 1989, read first time and referred to Committee on Finance;  
May 20, 1989, reported favorably by the following vote: Yeas 10,  
Nays 0; May 20, 1989, sent to printer.)

COMMITTEE VOTE

	Yea	Nay	PNV	Absent
Caperton	x			
Glasgow	x			
Barrientos	x			
Brooks	x			
Harris				x
Johnson	x			
Krier				x
McFarland	x			
Montford	x			
Parker	x			
Santiesteban				x
Sims	x			
Truan	x			

A BILL TO BE ENTITLED  
AN ACT

relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 417.001 through 417.009, Government Code, are designated as Subchapter A, Chapter 417, Government Code, as follows:

SUBCHAPTER A. OFFICE OF STATE FIRE MARSHAL

SECTION 2. Section 417.001, Government Code, is amended to read as follows:

Sec. 417.001. DEFINITION. In this subchapter [~~chapter~~], "board" means the State Board of Insurance.

SECTION 3. Chapter 417, Government Code, is amended by adding Subchapter B to read as follows:

SUBCHAPTER B. FIRE DEPARTMENT EMERGENCY BOARD

Sec. 417.021. DEFINITIONS. In this subchapter:

(1) "Board" means the Fire Department Emergency Board.  
(2) "Program" means the fire department emergency program.

(3) "Eligible local fire departments and public fire-fighting organizations" means municipal fire departments, volunteer fire departments, and publicly supported organizations that provide equipment or training to fire departments.

Sec. 417.022. PURPOSE. The purpose of this subchapter is to promote efficient fire protection for the residents of this state by providing to eligible local fire departments and public fire-fighting organizations:

(1) long-term or low interest loans or other financial assistance as the board considers necessary to purchase necessary fire-fighting equipment and facilities; and

(2) scholarships and grants to better educate and train their members.

Sec. 417.023. CREATION OF BOARD. (a) The Fire Department Emergency Board is created as an adjunct to the state fire marshal's office.

(b) The state fire marshal shall provide to the board necessary office space and equipment and shall share administrative functions to the extent possible. At the board's request, the state fire marshal may provide to the board the staff necessary to assist the board in administering this subchapter.

Sec. 417.024. MEMBERSHIP. (a) The board is composed of seven members appointed by the governor with the advice and consent of the senate.

(b) Five members must be involved in fire service

activities. Two members must be representatives of the general public.

(c) The governor shall appoint three fire service members from a list of eligible persons submitted by the State Firemen's and Fire Marshals' Association of Texas. The governor shall appoint two fire service members from a list of eligible persons submitted by the Texas State Association of Fire Fighters. Each list must contain the names of at least three eligible persons for each appointment that will be made from that list.

Sec. 417.025. TERMS. Members of the board hold office for two-year terms that expire on February 1 of each odd-numbered year.

Sec. 417.026. OFFICERS; MEETINGS. (a) The board annually shall elect a chairman and a vice-chairman.

(b) The board shall meet at the call of the chairman or of a majority of the members, or as provided by board rules.

Sec. 417.027. PER DIEM AND EXPENSES. Each board member is entitled to a per diem as set by legislative appropriation for each day that the member engages in board business. A member is also entitled to compensation for transportation expenses as provided by the General Appropriations Act, but may not receive any compensation for other travel expenses, such as expenses for meals and lodging.

Sec. 417.028. APPLICATION OF SUNSET ACT. The Fire Department Emergency Board is subject to the Texas Sunset Act (Chapter 325). Unless continued in existence as provided by that Act, the board is abolished and this subchapter expires September 1, 2001.

Sec. 417.029. GENERAL POWERS AND DUTIES OF BOARD. (a) The board shall:

(1) administer the fire department emergency program as provided by this subchapter and board rules;

(2) contract with professional experts as necessary to assist the board in carrying out its powers and duties under this subchapter;

(3) adopt rules for the administration of this subchapter;

(4) adopt and use a seal;

(5) administer oaths and take testimony on matters within the board's jurisdiction;

(6) keep an accurate record of its meetings, receipts, and disbursements;

(7) submit to the presiding officers of each house of the legislature an annual report of the board's activities; and

(8) consider and approve or disapprove applications for scholarships, grants, loans, and other financial assistance as provided by this subchapter.

(b) The board may accept gifts, grants, and donations for use in carrying out the purposes of this subchapter.

Sec. 417.030. PROGRAM DIRECTOR; EMPLOYEES. (a) The board shall employ a director to be the chief administrative officer of the program. The board may delegate to the director full authority to manage and operate the program, subject only to board orders.

(b) The director may employ persons necessary for the proper management of the program or make use of persons employed by and made available by the state fire marshal, as appropriate.

(c) The board shall determine the terms of employment and the compensation to be paid to employees employed by the director under this section. Before adopting its annual budget, the board must submit its proposed budget to the state fire marshal for review and comment, but the state fire marshal's approval is not necessary for the board's adoption of its budget.

Sec. 417.031. CREATION OF PROGRAM. The fire department emergency program is created to provide scholarships, grants, loans, and other financial assistance to eligible local fire departments and other public fire-fighting organizations.

Sec. 417.032. LOANS OR OTHER FINANCIAL ASSISTANCE FOR EQUIPMENT AND FACILITIES. (a) The board may make loans available or provide other financial assistance to an eligible local fire department or other public fire-fighting organization to:

(1) purchase fire-fighting equipment that is necessary

1 for the local fire department or other public fire-fighting  
2 organization to meet its fire-fighting responsibilities; or

3 (2) finance equipment and facilities necessary to  
4 comply with federal and state law.

5 (b) The board by rule shall establish guidelines for  
6 determining eligibility for a loan or other financial assistance  
7 under this subchapter and for determining the amounts of loans or  
8 other financial assistance that the board may make available to  
9 eligible local fire departments and other public fire-fighting  
10 organizations. To be eligible for a loan or other financial  
11 assistance, a local fire department or other public fire-fighting  
12 organization must establish to the satisfaction of the board that  
13 without a loan or other financial assistance the local fire  
14 department or other public fire-fighting organization would be  
15 unable to purchase necessary fire-fighting equipment.

16 (c) The board by rule shall establish the types of equipment  
17 and facilities that a local fire department or other public  
18 fire-fighting organization may purchase with a loan or other  
19 financial assistance from the board.

20 Sec. 417.033. REVOLVING FUND. The comptroller shall  
21 establish in the state treasury the Fire Department Emergency Board  
22 revolving fund account. All money collected by the board as loan  
23 payments and as payments on defaulted loans shall be deposited to  
24 the credit of the fund. Money deposited in the fund shall be used  
25 to make other loans under the program created by this subchapter.

26 Sec. 417.034. SCHOLARSHIPS AND GRANTS FOR EDUCATION AND  
27 TRAINING. (a) The board may award scholarships and grants to an  
28 eligible local fire department or other public fire-fighting  
29 organization. A local fire department or other public  
30 fire-fighting organization may use a scholarship or grant awarded  
31 under this subchapter only to educate and train its members to more  
32 effectively meet the members' fire-fighting responsibilities.

33 (b) The board by rule shall establish guidelines for  
34 determining eligibility for a grant or scholarship under this  
35 subchapter and for determining the amount that the board may award  
36 to an eligible local fire department or other public fire-fighting  
37 organization. To be eligible for a scholarship or grant, a local  
38 fire department or other public fire-fighting organization must  
39 establish to the satisfaction of the board that without a  
40 scholarship or grant the local fire department or other public  
41 fire-fighting organization would be unable to adequately train and  
42 educate its members.

43 (c) The board by rule shall determine the types of  
44 educational and training programs for which the board may award a  
45 scholarship or grant under this subchapter.

46 Sec. 417.035. APPLICATION FOR SCHOLARSHIP, GRANT, LOAN, OR  
47 OTHER FINANCIAL ASSISTANCE. (a) A local fire department or other  
48 public fire-fighting organization may apply in writing to the board  
49 for a scholarship, grant, loan, or other financial assistance.

50 (b) The application must include the following information:

51 (1) the official name and address of the applicant;  
52 (2) the purposes for which the local fire department  
53 or other public fire-fighting organization would use the requested  
54 scholarship, grant, loan, or other financial assistance;

55 (3) the amount of the scholarship, grant, loan, or  
56 other financial assistance requested;

57 (4) if a loan, the proposed plan for repayment;

58 (5) financial information relating to the applicant as  
59 requested by the board; and

60 (6) any other information the board requires in order  
61 to make a decision on the application.

62 (c) The board by rule shall prescribe the form of the  
63 application and the procedure for submitting and processing the  
64 application.

65 Sec. 417.036. REVIEW OF APPLICATION. In addition to the  
66 criteria established by board rules, the board, in reviewing an  
67 application, shall consider:

68 (1) the purpose or purposes for which the applicant  
69 would use the scholarship, grant, loan, or other financial  
70 assistance;



(2) the needs of that applicant as compared to the needs of other eligible applicants;

(3) the financial need of the applicant for the money;

(4) the availability of other money to the applicant;

and  
(5) the ability of the applicant to finance its activities without a state scholarship, grant, loan, or other financial assistance.

Sec. 417.037. APPROVAL OR REJECTION OF APPLICATION. The board by rule shall establish procedures for accepting or rejecting applications.

Sec. 417.038. CONTRACTS, AGREEMENTS, AND OTHER DOCUMENTS. (a) If the board approves a loan application, the board shall contract with the applicant to provide the funds under this subchapter. The board shall provide the funds in accordance with the terms and conditions provided by this subchapter and board rules.

(b) The board may execute any other documents necessary to make a legally binding agreement as to the transfer and expenditure of the amount to be loaned or awarded and the repayment of any amount loaned.

Sec. 417.039. LIMITATION ON SCHOLARSHIPS, GRANTS, LOANS, AND OTHER FINANCIAL ASSISTANCE. (a) The board may not make awards or loans under this subchapter to any one applicant in a total amount that is greater than an amount equal to five percent of the total amount of money appropriated to the program for the fiscal year during which the award or loan is made.

(b) The board may not approve an application if the current appropriations for the program are insufficient to pay the total amount requested under the application.

Sec. 417.040. DEFAULT ON LOAN. (a) If a local fire department or other public fire-fighting organization cannot make payments on a loan made under this subchapter, the board shall attempt to collect from the borrower as provided by this subchapter, the terms of the loan contract, and other agreements.

(b) The attorney general, at the request of the board, shall take all necessary legal action to assist the board in recovering amounts of a defaulted loan.

SECTION 4. As soon as practicable after the effective date of this Act, the governor shall appoint the initial members of the Fire Department Emergency Board, as provided by this Act.

SECTION 5. This Act takes effect January 1, 1990, but only if the constitutional amendment proposed by the 71st Legislature, Regular Session, 1989, authorizing the state to provide scholarships, grants, loans, and other financial assistance to local fire departments and other public fire-fighting organizations is approved by the voters. If that amendment is not approved by the voters, this Act has no effect.

SECTION 6. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

\* \* \* \* \*

Austin, Texas  
May 20, 1989

Hon. William P. Hobby  
President of the Senate

Sir:

We, your Committee on Finance to which was referred H.B. No. 708, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

Caperton, Chairman

# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

May 16, 1989

TO: Honorable Kent A. Caperton, Chairman  
Committee on Finance  
Senate Chamber  
Austin, Texas

In Re: House Bill No. 708,  
as engrossed  
By: Perry

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on House Bill No. 708, as engrossed (relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board) this office has determined the following:

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would create the Fire Department Emergency Board which would have seven members appointed by the Governor. The board would have an executive director and members would be reimbursed for transportation expenses. The Board would administer the fire emergency program.

A special fund would be created in the State Treasury known as the Fire Department Emergency Fund and funds would be used to provide scholarships, grants and other financial assistance to local fire departments.

The bill would take effect on January 1, 1990, contingent on the approval by the voters of a constitutional amendment authorizing the State to provide financial assistance to local fire departments.

The fiscal implication to the State and units of local government cannot be determined.

Source: Comptroller of Public Accounts;  
LBB Staff: JO, JWH, AL, CKM

# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

March 23, 1989

TO: Honorable Jim D. Rudd, Chair  
Committee on Appropriations  
House of Representatives  
Austin, Texas

In Re: House Bill No. 708  
By: Perry

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on House Bill No. 708 (relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board, and to funding of the program by an increase in the maintenance tax on the gross premiums of certain types of insurance) this office has determined the following:

The bill would create the Fire Department Emergency Board which would have nine members appointed by the Governor. The board would have an executive director and members would be reimbursed for transportation expenses.

A special fund would be created in the State Treasury known as the Fire Department Emergency Fund and funds would be used to provide scholarships, grants and other financial assistance to local fire departments. This fund would receive the revenue from a maintenance tax of one percent on fire and allied lines insurance premiums.

The effective date of this bill would be January 1, 1991, assuming a constitutional amendment is approved by the voters which creates the Fire Department Emergency Fund.

The probable revenue gain from implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

<u>Fiscal Year</u>	<u>Probable Revenue Gain to the Fire Department Emergency Fund</u>
1990	-0-
1991	\$32,310,000
1992	33,280,000
1993	34,280,000
1994	35,310,000

Similar annual revenue gains would continue as long as the provisions of the bill are in effect.

The fiscal implication to units of local government cannot be determined.

Criminal Justice Policy Impact Statement: No change in the sanctions applicable to adults convicted of felony crimes is anticipated.

Source: Comptroller of Public Accounts;  
LBB Staff: JO, JWH, AL, CKM

AMEND THE CAPTION TO CONFORM  
TO THE BODY OF THE BILL

ADOPTED

MAY 25 1989

*Robert King*  
Secretary of the Senate

5/16/89  
By Perry

HB708  
Senate

Amendment by Whitman

Amend H.B. 708 as follows:

- (1) On page 1, line 66, strike "Five" and replace with "Six".
- (2) On page 2, line 3, STRIKE "Three" and replace with "Two".
- (3) On page 2, line 7, after "Firefighters." and "The governor shall appoint 2 fire service members from a list of eligible persons submitted by the Texas Fire Chiefs Association."
- (4) On page 2, line 1, strike "Two" and replace with "One" and strike from members the "s" to make it singular and the "s" from representatives to make it singular.
- (5) On page 3, line 15, strike "unable" and replace with "under a hardship."
- (6) On page 3, line 41, strike "unable" and replace with "under a hardship."
- (7) On page 4, line 35, after "contract", add "any secured property",
- (8) On page 4, line 38, after "loan" change "period" to "comma" and add, "and any secured property."

**ADOPTED**

MAY 25 1989

*Boyd King*  
Secretary of the Senate

# SENATE AMENDMENTS

2nd Printing

MAY 25 PM 9:05  
HOUSE OF REPRESENTATIVES

By Perry, et al.

H.B. No. 708

A BILL TO BE ENTITLED

AN ACT

relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 417.001 through 417.009, Government Code, are designated as Subchapter A, Chapter 417, Government Code, as follows:

## SUBCHAPTER A. OFFICE OF STATE FIRE MARSHAL

SECTION 2. Section 417.001, Government Code, is amended to read as follows:

Sec. 417.001. DEFINITION. In this subchapter [~~chapter~~], "board" means the State Board of Insurance.

SECTION 3. Chapter 417, Government Code, is amended by adding Subchapter B to read as follows:

## SUBCHAPTER B. FIRE DEPARTMENT EMERGENCY BOARD

Sec. 417.021. DEFINITIONS. In this subchapter:

(1) "Board" means the Fire Department Emergency Board.

(2) "Program" means the fire department emergency program.

(3) "Eligible local fire departments and public fire-fighting organizations" means municipal fire departments, volunteer fire departments, and publicly supported organizations that provide equipment or training to fire departments.

1       Sec. 417.022. PURPOSE. The purpose of this subchapter is to  
2       promote efficient fire protection for the residents of this state  
3       by providing to eligible local fire departments and public  
4       fire-fighting organizations:

5               (1) long-term or low interest loans or other financial  
6       assistance as the board considers necessary to purchase necessary  
7       fire-fighting equipment and facilities; and

8               (2) scholarships and grants to better educate and  
9       train their members.

10       Sec. 417.023. CREATION OF BOARD. (a) The Fire Department  
11       Emergency Board is created as an adjunct to the state fire  
12       marshal's office.

13               (b) The state fire marshal shall provide to the board  
14       necessary office space and equipment and shall share administrative  
15       functions to the extent possible. At the board's request, the  
16       state fire marshal may provide to the board the staff necessary to  
17       assist the board in administering this subchapter.

18       Sec. 417.024. MEMBERSHIP. (a) The board is composed of  
19       seven members appointed by the governor with the advice and consent  
20       of the senate.

21               (b) Five members must be involved in fire service  
22       activities. Two members must be representatives of the general  
23       public.

24               (c) The governor shall appoint three fire service members  
25       from a list of eligible persons submitted by the State Firemen's  
26       and Fire Marshals' Association of Texas. The governor shall  
27       appoint two fire service members from a list of eligible persons

1 submitted by the Texas State Association of Fire Fighters. Each  
2 list must contain the names of at least three eligible persons for  
3 each appointment that will be made from that list.

4 Sec. 417.025. TERMS. Members of the board hold office for  
5 two-year terms that expire on February 1 of each odd-numbered year.

6 Sec. 417.026. OFFICERS; MEETINGS. (a) The board annually  
7 shall elect a chairman and a vice-chairman.

8 (b) The board shall meet at the call of the chairman or of a  
9 majority of the members, or as provided by board rules.

10 Sec. 417.027. PER DIEM AND EXPENSES. Each board member is  
11 entitled to a per diem as set by legislative appropriation for each  
12 day that the member engages in board business. A member is also  
13 entitled to compensation for transportation expenses as provided by  
14 the General Appropriations Act, but may not receive any  
15 compensation for other travel expenses, such as expenses for meals  
16 and lodging.

17 Sec. 417.028. APPLICATION OF SUNSET ACT. The Fire  
18 Department Emergency Board is subject to the Texas Sunset Act  
19 (Chapter 325). Unless continued in existence as provided by that  
20 Act, the board is abolished and this subchapter expires September  
21 1, 2001.

22 Sec. 417.029. GENERAL POWERS AND DUTIES OF BOARD. (a) The  
23 board shall:

24 (1) administer the fire department emergency program  
25 as provided by this subchapter and board rules;

26 (2) contract with professional experts as necessary to  
27 assist the board in carrying out its powers and duties under this



1 subchapter;

2 (3) adopt rules for the administration of this  
3 subchapter;

4 (4) adopt and use a seal;

5 (5) administer oaths and take testimony on matters  
6 within the board's jurisdiction;

7 (6) keep an accurate record of its meetings, receipts,  
8 and disbursements;

9 (7) submit to the presiding officers of each house of  
10 the legislature an annual report of the board's activities; and

11 (8) consider and approve or disapprove applications  
12 for scholarships, grants, loans, and other financial assistance as  
13 provided by this subchapter.

14 (b) The board may accept gifts, grants, and donations for  
15 use in carrying out the purposes of this subchapter.

16 Sec. 417.030. PROGRAM DIRECTOR; EMPLOYEES. (a) The board  
17 shall employ a director to be the chief administrative officer of  
18 the program. The board may delegate to the director full authority  
19 to manage and operate the program, subject only to board orders.

20 (b) The director may employ persons necessary for the proper  
21 management of the program or make use of persons employed by and  
22 made available by the state fire marshal, as appropriate.

23 (c) The board shall determine the terms of employment and  
24 the compensation to be paid to employees employed by the director  
25 under this section. Before adopting its annual budget, the board  
26 must submit its proposed budget to the state fire marshal for  
27 review and comment, but the state fire marshal's approval is not

1 necessary for the board's adoption of its budget.

2 Sec. 417.031. CREATION OF PROGRAM. The fire department  
3 emergency program is created to provide scholarships, grants,  
4 loans, and other financial assistance to eligible local fire  
5 departments and other public fire-fighting organizations.

6 Sec. 417.032. LOANS OR OTHER FINANCIAL ASSISTANCE FOR  
7 EQUIPMENT AND FACILITIES. (a) The board may make loans available  
8 or provide other financial assistance to an eligible local fire  
9 department or other public fire-fighting organization to:

10 (1) purchase fire-fighting equipment that is necessary  
11 for the local fire department or other public fire-fighting  
12 organization to meet its fire-fighting responsibilities; or

13 (2) finance equipment and facilities necessary to  
14 comply with federal and state law.

15 (b) The board by rule shall establish guidelines for  
16 determining eligibility for a loan or other financial assistance  
17 under this subchapter and for determining the amounts of loans or  
18 other financial assistance that the board may make available to  
19 eligible local fire departments and other public fire-fighting  
20 organizations. To be eligible for a loan or other financial  
21 assistance, a local fire department or other public fire-fighting  
22 organization must establish to the satisfaction of the board that  
23 without a loan or other financial assistance the local fire  
24 department or other public fire-fighting organization would be  
25 unable to purchase necessary fire-fighting equipment.

26 (c) The board by rule shall establish the types of equipment  
27 and facilities that a local fire department or other public

1 fire-fighting organization may purchase with a loan or other  
2 financial assistance from the board.

3 Sec. 417.033. REVOLVING FUND. The comptroller shall  
4 establish in the state treasury the Fire Department Emergency Board  
5 revolving fund account. All money collected by the board as loan  
6 payments and as payments on defaulted loans shall be deposited to  
7 the credit of the fund. Money deposited in the fund shall be used  
8 to make other loans under the program created by this subchapter.

9 Sec. 417.034. SCHOLARSHIPS AND GRANTS FOR EDUCATION AND  
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11 eligible local fire department or other public fire-fighting  
12 organization. A local fire department or other public  
13 fire-fighting organization may use a scholarship or grant awarded  
14 under this subchapter only to educate and train its members to more  
15 effectively meet the members' fire-fighting responsibilities.

16 (b) The board by rule shall establish guidelines for  
17 determining eligibility for a grant or scholarship under this  
18 subchapter and for determining the amount that the board may award  
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20 organization. To be eligible for a scholarship or grant, a local  
21 fire department or other public fire-fighting organization must  
22 establish to the satisfaction of the board that without a  
23 scholarship or grant the local fire department or other public  
24 fire-fighting organization would be unable to adequately train and  
25 educate its members.

26 (c) The board by rule shall determine the types of  
27 educational and training programs for which the board may award a

1 scholarship or grant under this subchapter.

2 Sec. 417.035. APPLICATION FOR SCHOLARSHIP, GRANT, LOAN, OR  
3 OTHER FINANCIAL ASSISTANCE. (a) A local fire department or other  
4 public fire-fighting organization may apply in writing to the board  
5 for a scholarship, grant, loan, or other financial assistance.

6 (b) The application must include the following information:

7 (1) the official name and address of the applicant;

8 (2) the purposes for which the local fire department  
9 or other public fire-fighting organization would use the requested  
10 scholarship, grant, loan, or other financial assistance;

11 (3) the amount of the scholarship, grant, loan, or  
12 other financial assistance requested;

13 (4) if a loan, the proposed plan for repayment;

14 (5) financial information relating to the applicant as  
15 requested by the board; and

16 (6) any other information the board requires in order  
17 to make a decision on the application.

18 (c) The board by rule shall prescribe the form of the  
19 application and the procedure for submitting and processing the  
20 application.

21 Sec. 417.036. REVIEW OF APPLICATION. In addition to the  
22 criteria established by board rules, the board, in reviewing an  
23 application, shall consider:

24 (1) the purpose or purposes for which the applicant  
25 would use the scholarship, grant, loan, or other financial  
26 assistance;

27 (2) the needs of that applicant as compared to the

1 needs of other eligible applicants;

2 (3) the financial need of the applicant for the money;

3 (4) the availability of other money to the applicant;

4 and

5 (5) the ability of the applicant to finance its  
6 activities without a state scholarship, grant, loan, or other  
7 financial assistance.

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9 board by rule shall establish procedures for accepting or rejecting  
10 applications.

11 Sec. 417.038. CONTRACTS, AGREEMENTS, AND OTHER DOCUMENTS.

12 (a) If the board approves a loan application, the board shall  
13 contract with the applicant to provide the funds under this  
14 subchapter. The board shall provide the funds in accordance with  
15 the terms and conditions provided by this subchapter and board  
16 rules.

17 (b) The board may execute any other documents necessary to  
18 make a legally binding agreement as to the transfer and expenditure  
19 of the amount to be loaned or awarded and the repayment of any  
20 amount loaned.

21 Sec. 417.039. LIMITATION ON SCHOLARSHIPS, GRANTS, LOANS, AND  
22 OTHER FINANCIAL ASSISTANCE. (a) The board may not make awards or  
23 loans under this subchapter to any one applicant in a total amount  
24 that is greater than an amount equal to five percent of the total  
25 amount of money appropriated to the program for the fiscal year  
26 during which the award or loan is made.

27 (b) The board may not approve an application if the current

1 appropriations for the program are insufficient to pay the total  
2 amount requested under the application.

3 Sec. 417.040. DEFAULT ON LOAN. (a) If a local fire  
4 department or other public fire-fighting organization cannot make  
5 payments on a loan made under this subchapter, the board shall  
6 attempt to collect from the borrower as provided by this  
7 subchapter, the terms of the loan contract, and other agreements.

8 (b) The attorney general, at the request of the board, shall  
9 take all necessary legal action to assist the board in recovering  
10 amounts of a defaulted loan.

11 SECTION 4. As soon as practicable after the effective date  
12 of this Act, the governor shall appoint the initial members of the  
13 Fire Department Emergency Board, as provided by this Act.

14 SECTION 5. This Act takes effect January 1, 1990, but only  
15 if the constitutional amendment proposed by the 71st Legislature,  
16 Regular Session, 1989, authorizing the state to provide  
17 scholarships, grants, loans, and other financial assistance to  
18 local fire departments and other public fire-fighting organizations  
19 is approved by the voters. If that amendment is not approved by  
20 the voters, this Act has no effect.

21 SECTION 6. The importance of this legislation and the  
22 crowded condition of the calendars in both houses create an  
23 emergency and an imperative public necessity that the  
24 constitutional rule requiring bills to be read on three several  
25 days in each house be suspended, and this rule is hereby suspended.

5/16/89  
By Perry

HB708  
Senate

Amendment 1 by Whitmer

Amend H.B. 708 as follows:

- (1) On page 1, line 66, strike "Five" and replace with "Six".
- (2) On page 2, line 3, STRIKE "Three" and replace with "Two".
- (3) On page 2, line 7, after "Firefighters." and "The governor shall appoint 2 fire service members from a list of eligible persons submitted by the Texas Fire Chiefs Association."
- (4) On page 2, line 1, strike "Two" and replace with "One" and strike from members the "s" to make it singular and the "s" from representatives to make it singular.
- (5) On page 3, line 15, strike "unable" and replace with "under a hardship."
- (6) On page 3, line 41, strike "unable" and replace with "under a hardship."
- (7) On page 4, line 35, after "contract", add "any secured property",
- (8) On page 4, line 38, after "loan" change "period" to "comma" and add, "and any secured property."

**ADOPTED**

MAY 25 1989

*Boyd King*  
Secretary of the Senate

AMEND THE CAPTION TO CONFORM  
TO THE BODY OF THE BILL

ADOPTED

MAY 25 1989

*Henry King*  
Secretary of the Senate



# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

May 16, 1989

TO: Honorable Kent A. Caperton, Chairman  
Committee on Finance  
Senate Chamber  
Austin, Texas

In Re: House Bill No. 708,  
as engrossed  
By: Perry

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on House Bill No. 708, as engrossed (relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board) this office has determined the following:

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would create the Fire Department Emergency Board which would have seven members appointed by the Governor. The board would have an executive director and members would be reimbursed for transportation expenses. The Board would administer the fire emergency program.

A special fund would be created in the State Treasury known as the Fire Department Emergency Fund and funds would be used to provide scholarships, grants and other financial assistance to local fire departments.

The bill would take effect on January 1, 1990, contingent on the approval by the voters of a constitutional amendment authorizing the State to provide financial assistance to local fire departments.

The fiscal implication to the State and units of local government cannot be determined.

Source: Comptroller of Public Accounts;  
LBB Staff: JO, JWH, AL, CKM

# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

March 23, 1989

TO: Honorable Jim D. Rudd, Chair  
Committee on Appropriations  
House of Representatives  
Austin, Texas

In Re: House Bill No. 708  
By: Perry

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on House Bill No. 708 (relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board, and to funding of the program by an increase in the maintenance tax on the gross premiums of certain types of insurance) this office has determined the following:

The bill would create the Fire Department Emergency Board which would have nine members appointed by the Governor. The board would have an executive director and members would be reimbursed for transportation expenses.

A special fund would be created in the State Treasury known as the Fire Department Emergency Fund and funds would be used to provide scholarships, grants and other financial assistance to local fire departments. This fund would receive the revenue from a maintenance tax of one percent on fire and allied lines insurance premiums.

The effective date of this bill would be January 1, 1991, assuming a constitutional amendment is approved by the voters which creates the Fire Department Emergency Fund.

The probable revenue gain from implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

<u>Fiscal Year</u>	<u>Probable Revenue Gain to the Fire Department Emergency Fund</u>
1990	-0-
1991	\$32,310,000
1992	33,280,000
1993	34,280,000
1994	35,310,000

Similar annual revenue gains would continue as long as the provisions of the bill are in effect.

The fiscal implication to units of local government cannot be determined.

Criminal Justice Policy Impact Statement: No change in the sanctions applicable to adults convicted of felony crimes is anticipated.

Source: Comptroller of Public Accounts;  
LBB Staff: JO, JWH, AL, CKM

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

May 27, 1989

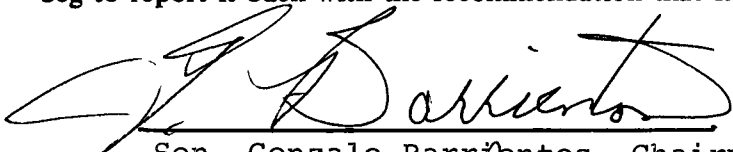
Date

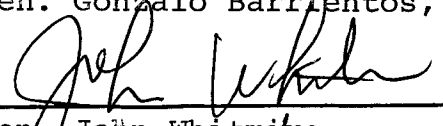
Honorable William P. Hobby  
President of the Senate

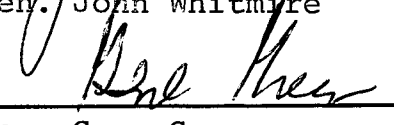
Honorable Gibson D. "Gib" Lewis  
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HB708 have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

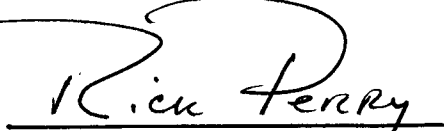
  
Sen. Gonzalo Barrientos, Chairman

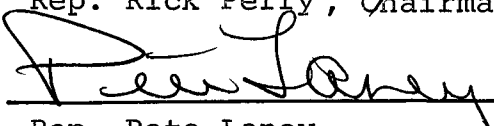
  
Sen. John Whitmire

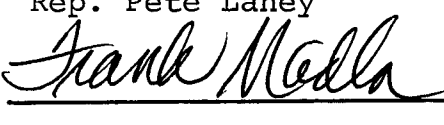
  
Sen. Gene Green

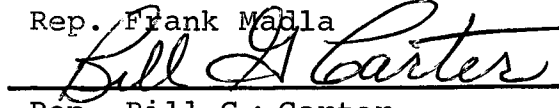
Sen. Eddie B. Johnson

Sen. Carlos Truan  
On the part of the Senate

  
Rep. Rick Perry, Chairman

  
Rep. Pete Laney

  
Rep. Frank Madla

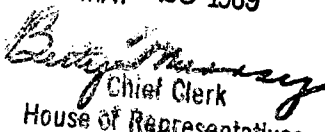
  
Rep. Bill G. Carter

  
Rep. Bob Hunter  
On the part of the House

Paper clip one of these forms to each of the following:  
the original and two copies to the house of origin  
three copies to the other house

ADOPTED

MAY 28 1989

  
Betty M. Hays  
Chief Clerk  
House of Representatives

non record

CONFERENCE COMMITTEE REPORT

H.B. No. 708

A BILL TO BE ENTITLED

AN ACT

relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 417.001 through 417.009, Government Code, are designated as Subchapter A, Chapter 417, Government Code, as follows:

SUBCHAPTER A. OFFICE OF STATE FIRE MARSHAL

SECTION 2. Section 417.001, Government Code, is amended to read as follows:

Sec. 417.001. DEFINITION. In this subchapter [~~chapter~~], "board" means the State Board of Insurance.

SECTION 3. Chapter 417, Government Code, is amended by adding Subchapter B to read as follows:

SUBCHAPTER B. FIRE DEPARTMENT EMERGENCY BOARD

Sec. 417.021. DEFINITIONS. In this subchapter:

(1) "Board" means the Fire Department Emergency Board.

(2) "Program" means the fire department emergency program.

(3) "Eligible local fire departments and public fire-fighting organizations" means municipal fire departments, volunteer fire departments, and publicly supported organizations that provide equipment or training to fire departments.

1       Sec. 417.022. PURPOSE. The purpose of this subchapter is to  
2 promote efficient fire protection for the residents of this state  
3 by providing to eligible local fire departments and public  
4 fire-fighting organizations:

5               (1) long-term or low interest loans or other financial  
6 assistance as the board considers necessary to purchase necessary  
7 fire-fighting equipment and facilities; and

8               (2) scholarships and grants to better educate and  
9 train their members.

10       Sec. 417.023. CREATION OF BOARD. (a) The Fire Department  
11 Emergency Board is created as an adjunct to the state fire  
12 marshal's office.

13               (b) The state fire marshal shall provide to the board  
14 necessary office space and equipment and shall share administrative  
15 functions to the extent possible. At the board's request, the  
16 state fire marshal may provide to the board the staff necessary to  
17 assist the board in administering this subchapter.

18       Sec. 417.024. MEMBERSHIP. (a) The board is composed of  
19 seven members appointed by the governor with the advice and consent  
20 of the senate.

21               (b) Five members must be involved in fire service  
22 activities. Two members must be representatives of the general  
23 public.

24               (c) The governor shall appoint three fire service members  
25 from a list of eligible persons submitted by the State Firemen's  
26 and Fire Marshals' Association of Texas. The governor shall  
27 appoint two fire service members from a list of eligible persons

1 submitted by the Texas State Association of Fire Fighters. Each  
2 list must contain the names of at least three eligible persons for  
3 each appointment that will be made from that list.

4 Sec. 417.025. TERMS. Members of the board hold office for  
5 two-year terms that expire on February 1 of each odd-numbered year.

6 Sec. 417.026. OFFICERS; MEETINGS. (a) The board annually  
7 shall elect a chairman and a vice-chairman.

8 (b) The board shall meet at the call of the chairman or of a  
9 majority of the members, or as provided by board rules.

10 Sec. 417.027. PER DIEM AND EXPENSES. Each board member is  
11 entitled to a per diem as set by legislative appropriation for each  
12 day that the member engages in board business. A member is also  
13 entitled to compensation for transportation expenses as provided by  
14 the General Appropriations Act, but may not receive any  
15 compensation for other travel expenses, such as expenses for meals  
16 and lodging.

17 Sec. 417.028. APPLICATION OF SUNSET ACT. The Fire  
18 Department Emergency Board is subject to the Texas Sunset Act  
19 (Chapter 325). Unless continued in existence as provided by that  
20 Act, the board is abolished and this subchapter expires September  
21 1, 2001.

22 Sec. 417.029. GENERAL POWERS AND DUTIES OF BOARD. (a) The  
23 board shall:

24 (1) administer the fire department emergency program  
25 as provided by this subchapter and board rules;

26 (2) contract with professional experts as necessary to  
27 assist the board in carrying out its powers and duties under this

1 subchapter;

2 (3) adopt rules for the administration of this  
3 subchapter;

4 (4) adopt and use a seal;

5 (5) administer oaths and take testimony on matters  
6 within the board's jurisdiction;

7 (6) keep an accurate record of its meetings, receipts,  
8 and disbursements;

9 (7) submit to the presiding officers of each house of  
10 the legislature an annual report of the board's activities; and

11 (8) consider and approve or disapprove applications  
12 for scholarships, grants, loans, and other financial assistance as  
13 provided by this subchapter.

14 (b) The board may accept gifts, grants, and donations for  
15 use in carrying out the purposes of this subchapter.

16 Sec. 417.030. PROGRAM DIRECTOR; EMPLOYEES. (a) The board  
17 shall employ a director to be the chief administrative officer of  
18 the program. The board may delegate to the director full authority  
19 to manage and operate the program, subject only to board orders.

20 (b) The director may employ persons necessary for the proper  
21 management of the program or make use of persons employed by and  
22 made available by the state fire marshal, as appropriate.

23 (c) The board shall determine the terms of employment and  
24 the compensation to be paid to employees employed by the director  
25 under this section. Before adopting its annual budget, the board  
26 must submit its proposed budget to the state fire marshal for  
27 review and comment, but the state fire marshal's approval is not

1 necessary for the board's adoption of its budget.

2 Sec. 417.031. CREATION OF PROGRAM. The fire department  
3 emergency program is created to provide scholarships, grants,  
4 loans, and other financial assistance to eligible local fire  
5 departments and other public fire-fighting organizations.

6 Sec. 417.032. LOANS OR OTHER FINANCIAL ASSISTANCE FOR  
7 EQUIPMENT AND FACILITIES. (a) The board may make loans available  
8 or provide other financial assistance to an eligible local fire  
9 department or other public fire-fighting organization to:

10 (1) purchase fire-fighting equipment that is necessary  
11 for the local fire department or other public fire-fighting  
12 organization to meet its fire-fighting responsibilities; or

13 (2) finance equipment and facilities necessary to  
14 comply with federal and state law.

15 (b) The board by rule shall establish guidelines for  
16 determining eligibility for a loan or other financial assistance  
17 under this subchapter and for determining the amounts of loans or  
18 other financial assistance that the board may make available to  
19 eligible local fire departments and other public fire-fighting  
20 organizations. To be eligible for a loan or other financial  
21 assistance, a local fire department or other public fire-fighting  
22 organization must establish to the satisfaction of the board that  
23 without a loan or other financial assistance the local fire  
24 department or other public fire-fighting organization would be  
25 unable to purchase necessary fire-fighting equipment.

26 (c) The board by rule shall establish the types of equipment  
27 and facilities that a local fire department or other public



1 fire-fighting organization may purchase with a loan or other  
2 financial assistance from the board.

3 Sec. 417.033. REVOLVING FUND. The comptroller shall  
4 establish in the state treasury the Fire Department Emergency Board  
5 revolving fund account. All money collected by the board as loan  
6 payments and as payments on defaulted loans shall be deposited to  
7 the credit of the fund. Money deposited in the fund shall be used  
8 to make other loans under the program created by this subchapter.

9 Sec. 417.034. SCHOLARSHIPS AND GRANTS FOR EDUCATION AND  
10 TRAINING. (a) The board may award scholarships and grants to an  
11 eligible local fire department or other public fire-fighting  
12 organization. A local fire department or other public  
13 fire-fighting organization may use a scholarship or grant awarded  
14 under this subchapter only to educate and train its members to more  
15 effectively meet the members' fire-fighting responsibilities.

16 (b) The board by rule shall establish guidelines for  
17 determining eligibility for a grant or scholarship under this  
18 subchapter and for determining the amount that the board may award  
19 to an eligible local fire department or other public fire-fighting  
20 organization. To be eligible for a scholarship or grant, a local  
21 fire department or other public fire-fighting organization must  
22 establish to the satisfaction of the board that without a  
23 scholarship or grant the local fire department or other public  
24 fire-fighting organization would be unable to adequately train and  
25 educate its members.

26 (c) The board by rule shall determine the types of  
27 educational and training programs for which the board may award a

1 scholarship or grant under this subchapter.

2 Sec. 417.035. APPLICATION FOR SCHOLARSHIP, GRANT, LOAN, OR  
3 OTHER FINANCIAL ASSISTANCE. (a) A local fire department or other  
4 public fire-fighting organization may apply in writing to the board  
5 for a scholarship, grant, loan, or other financial assistance.

6 (b) The application must include the following information:

7 (1) the official name and address of the applicant;

8 (2) the purposes for which the local fire department  
9 or other public fire-fighting organization would use the requested  
10 scholarship, grant, loan, or other financial assistance;

11 (3) the amount of the scholarship, grant, loan, or  
12 other financial assistance requested;

13 (4) if a loan, the proposed plan for repayment;

14 (5) financial information relating to the applicant as  
15 requested by the board; and

16 (6) any other information the board requires in order  
17 to make a decision on the application.

18 (c) The board by rule shall prescribe the form of the  
19 application and the procedure for submitting and processing the  
20 application.

21 Sec. 417.036. REVIEW OF APPLICATION. In addition to the  
22 criteria established by board rules, the board, in reviewing an  
23 application, shall consider:

24 (1) the purpose or purposes for which the applicant  
25 would use the scholarship, grant, loan, or other financial  
26 assistance;

27 (2) the needs of that applicant as compared to the

1 needs of other eligible applicants;

2 (3) the financial need of the applicant for the money;

3 (4) the availability of other money to the applicant;

4 and

5 (5) the ability of the applicant to finance its  
6 activities without a state scholarship, grant, loan, or other  
7 financial assistance.

8 Sec. 417.037. APPROVAL OR REJECTION OF APPLICATION. The  
9 board by rule shall establish procedures for accepting or rejecting  
10 applications.

11 Sec. 417.038. CONTRACTS, AGREEMENTS, AND OTHER DOCUMENTS.

12 (a) If the board approves a loan application, the board shall  
13 contract with the applicant to provide the funds under this  
14 subchapter. The board shall provide the funds in accordance with  
15 the terms and conditions provided by this subchapter and board  
16 rules.

17 (b) The board may execute any other documents necessary to  
18 make a legally binding agreement as to the transfer and expenditure  
19 of the amount to be loaned or awarded and the repayment of any  
20 amount loaned.

21 Sec. 417.039. LIMITATION ON SCHOLARSHIPS, GRANTS, LOANS, AND  
22 OTHER FINANCIAL ASSISTANCE. (a) The board may not make awards or  
23 loans under this subchapter to any one applicant in a total amount  
24 that is greater than an amount equal to five percent of the total  
25 amount of money appropriated to the program for the fiscal year  
26 during which the award or loan is made.

27 (b) The board may not approve an application if the current

1 appropriations for the program are insufficient to pay the total  
2 amount requested under the application.

3 Sec. 417.040. DEFAULT ON LOAN. (a) If a local fire  
4 department or other public fire-fighting organization cannot make  
5 payments on a loan made under this subchapter, the board shall  
6 attempt to collect from the borrower as provided by this  
7 subchapter, the terms of the loan contract, and other agreements.

8 (b) The attorney general, at the request of the board, shall  
9 take all necessary legal action to assist the board in recovering  
10 amounts of a defaulted loan.

11 SECTION 4. As soon as practicable after the effective date  
12 of this Act, the governor shall appoint the initial members of the  
13 Fire Department Emergency Board, as provided by this Act.

14 SECTION 5. This Act takes effect January 1, 1990, but only  
15 if the constitutional amendment proposed by the 71st Legislature,  
16 Regular Session, 1989, authorizing the state to provide  
17 scholarships, grants, loans, and other financial assistance to  
18 local fire departments and other public fire-fighting organizations  
19 is approved by the voters. If that amendment is not approved by  
20 the voters, this Act has no effect.

21 SECTION 6. The importance of this legislation and the  
22 crowded condition of the calendars in both houses create an  
23 emergency and an imperative public necessity that the  
24 constitutional rule requiring bills to be read on three several  
25 days in each house be suspended, and this rule is hereby suspended.

# COMPARISON OF VERSIONS OF H.B. 708

SECTION (House bill unless otherwise noted)	SENATE VERSION	HOUSE VERSION	CONFERENCE COMMITTEE
Section 1	Divides Chapter 417, Government Code, into subchapters	Same	Same
Section 2	Conforms definition section to division of chapter into subchapters	Same	Same
Section 3	Creates the Fire Department Emergency Board and provides for the powers and duties of the board, including administering a financial assistance program	Same as Senate version except does not require the governor to appoint two members from a Fire Chief's Association list, has somewhat stricter requirement for receiving assistance, and does not have secured property provision.	Same as House version
Section 4	Initial appointments	Same	Same
Section 5	Effective date, limitation	Same	Same
Section 6	Emergency clause	Same	Same

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

May 27, 1989

Date

Honorable William P. Hobby  
President of the Senate

Honorable Gibson D. "Gib" Lewis  
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on SB734 have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

**ADOPTED**  
*by a voice vote*  
MAY 29 1989

*Anthony King*  
Secretary of the Senate

*[Signature]*  
Sen. Gonzalo Barrios, Chairman

*[Signature]*  
Sen. John Whitmire

*[Signature]*  
Sen. Gene Green

*[Signature]*  
Sen. Eddie E. Johnson

*[Signature]*  
On the part of the Senate

*[Signature]*  
Rep. Rick Perry, Chairman

*[Signature]*  
Rep. Pete Johnson

*[Signature]*  
Rep. Frank Kolb

*[Signature]*  
Rep. Bill G. Carter

*[Signature]*  
On the part of the House

Paper clip one of these forms to each of the following:  
the original and two copies to the house of origin  
three copies to the other house

MAY 28 1989

*Read and filed 3:36 PM*

CONFERENCE COMMITTEE REPORT

H.B. No. 708

A BILL TO BE ENTITLED

AN ACT

relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 417.001 through 417.009, Government Code, are designated as Subchapter A, Chapter 417, Government Code, as follows:

SUBCHAPTER A. OFFICE OF STATE FIRE MARSHAL

SECTION 2. Section 417.001, Government Code, is amended to read as follows:

Sec. 417.001. DEFINITION. In this subchapter [~~chapter~~], "board" means the State Board of Insurance.

SECTION 3. Chapter 417, Government Code, is amended by adding Subchapter B to read as follows:

SUBCHAPTER B. FIRE DEPARTMENT EMERGENCY BOARD

Sec. 417.021. DEFINITIONS. In this subchapter:

(1) "Board" means the Fire Department Emergency Board.

(2) "Program" means the fire department emergency program.

(3) "Eligible local fire departments and public fire-fighting organizations" means municipal fire departments, volunteer fire departments, and publicly supported organizations that provide equipment or training to fire departments.

1       Sec. 417.022. PURPOSE. The purpose of this subchapter is to  
2 promote efficient fire protection for the residents of this state  
3 by providing to eligible local fire departments and public  
4 fire-fighting organizations:

5               (1) long-term or low interest loans or other financial  
6 assistance as the board considers necessary to purchase necessary  
7 fire-fighting equipment and facilities; and

8               (2) scholarships and grants to better educate and  
9 train their members.

10       Sec. 417.023. CREATION OF BOARD. (a) The Fire Department  
11 Emergency Board is created as an adjunct to the state fire  
12 marshal's office.

13               (b) The state fire marshal shall provide to the board  
14 necessary office space and equipment and shall share administrative  
15 functions to the extent possible. At the board's request, the  
16 state fire marshal may provide to the board the staff necessary to  
17 assist the board in administering this subchapter.

18       Sec. 417.024. MEMBERSHIP. (a) The board is composed of  
19 seven members appointed by the governor with the advice and consent  
20 of the senate.

21               (b) Five members must be involved in fire service  
22 activities. Two members must be representatives of the general  
23 public.

24               (c) The governor shall appoint three fire service members  
25 from a list of eligible persons submitted by the State Firemen's  
26 and Fire Marshals' Association of Texas. The governor shall  
27 appoint two fire service members from a list of eligible persons



1 submitted by the Texas State Association of Fire Fighters. Each  
2 list must contain the names of at least three eligible persons for  
3 each appointment that will be made from that list.

4 Sec. 417.025. TERMS. Members of the board hold office for  
5 two-year terms that expire on February 1 of each odd-numbered year.

6 Sec. 417.026. OFFICERS; MEETINGS. (a) The board annually  
7 shall elect a chairman and a vice-chairman.

8 (b) The board shall meet at the call of the chairman or of a  
9 majority of the members, or as provided by board rules.

10 Sec. 417.027. PER DIEM AND EXPENSES. Each board member is  
11 entitled to a per diem as set by legislative appropriation for each  
12 day that the member engages in board business. A member is also  
13 entitled to compensation for transportation expenses as provided by  
14 the General Appropriations Act, but may not receive any  
15 compensation for other travel expenses, such as expenses for meals  
16 and lodging.

17 Sec. 417.028. APPLICATION OF SUNSET ACT. The Fire  
18 Department Emergency Board is subject to the Texas Sunset Act  
19 (Chapter 325). Unless continued in existence as provided by that  
20 Act, the board is abolished and this subchapter expires September  
21 1, 2001.

22 Sec. 417.029. GENERAL POWERS AND DUTIES OF BOARD. (a) The  
23 board shall:

24 (1) administer the fire department emergency program  
25 as provided by this subchapter and board rules;

26 (2) contract with professional experts as necessary to  
27 assist the board in carrying out its powers and duties under this

1 subchapter;

2 (3) adopt rules for the administration of this  
3 subchapter;

4 (4) adopt and use a seal;

5 (5) administer oaths and take testimony on matters  
6 within the board's jurisdiction;

7 (6) keep an accurate record of its meetings, receipts,  
8 and disbursements;

9 (7) submit to the presiding officers of each house of  
10 the legislature an annual report of the board's activities; and

11 (8) consider and approve or disapprove applications  
12 for scholarships, grants, loans, and other financial assistance as  
13 provided by this subchapter.

14 (b) The board may accept gifts, grants, and donations for  
15 use in carrying out the purposes of this subchapter.

16 Sec. 417.030. PROGRAM DIRECTOR; EMPLOYEES. (a) The board  
17 shall employ a director to be the chief administrative officer of  
18 the program. The board may delegate to the director full authority  
19 to manage and operate the program, subject only to board orders.

20 (b) The director may employ persons necessary for the proper  
21 management of the program or make use of persons employed by and  
22 made available by the state fire marshal, as appropriate.

23 (c) The board shall determine the terms of employment and  
24 the compensation to be paid to employees employed by the director  
25 under this section. Before adopting its annual budget, the board  
26 must submit its proposed budget to the state fire marshal for  
27 review and comment, but the state fire marshal's approval is not

1 necessary for the board's adoption of its budget.

2 Sec. 417.031. CREATION OF PROGRAM. The fire department  
3 emergency program is created to provide scholarships, grants,  
4 loans, and other financial assistance to eligible local fire  
5 departments and other public fire-fighting organizations.

6 Sec. 417.032. LOANS OR OTHER FINANCIAL ASSISTANCE FOR  
7 EQUIPMENT AND FACILITIES. (a) The board may make loans available  
8 or provide other financial assistance to an eligible local fire  
9 department or other public fire-fighting organization to:

10 (1) purchase fire-fighting equipment that is necessary  
11 for the local fire department or other public fire-fighting  
12 organization to meet its fire-fighting responsibilities; or

13 (2) finance equipment and facilities necessary to  
14 comply with federal and state law.

15 (b) The board by rule shall establish guidelines for  
16 determining eligibility for a loan or other financial assistance  
17 under this subchapter and for determining the amounts of loans or  
18 other financial assistance that the board may make available to  
19 eligible local fire departments and other public fire-fighting  
20 organizations. To be eligible for a loan or other financial  
21 assistance, a local fire department or other public fire-fighting  
22 organization must establish to the satisfaction of the board that  
23 without a loan or other financial assistance the local fire  
24 department or other public fire-fighting organization would be  
25 unable to purchase necessary fire-fighting equipment.

26 (c) The board by rule shall establish the types of equipment  
27 and facilities that a local fire department or other public

fire-fighting organization may purchase with a loan or other financial assistance from the board.

Sec. 417.033. REVOLVING FUND. The comptroller shall establish in the state treasury the Fire Department Emergency Board revolving fund account. All money collected by the board as loan payments and as payments on defaulted loans shall be deposited to the credit of the fund. Money deposited in the fund shall be used to make other loans under the program created by this subchapter.

Sec. 417.034. SCHOLARSHIPS AND GRANTS FOR EDUCATION AND TRAINING. (a) The board may award scholarships and grants to an eligible local fire department or other public fire-fighting organization. A local fire department or other public fire-fighting organization may use a scholarship or grant awarded under this subchapter only to educate and train its members to more effectively meet the members' fire-fighting responsibilities.

(b) The board by rule shall establish guidelines for determining eligibility for a grant or scholarship under this subchapter and for determining the amount that the board may award to an eligible local fire department or other public fire-fighting organization. To be eligible for a scholarship or grant, a local fire department or other public fire-fighting organization must establish to the satisfaction of the board that without a scholarship or grant the local fire department or other public fire-fighting organization would be unable to adequately train and educate its members.

(c) The board by rule shall determine the types of educational and training programs for which the board may award a

1 scholarship or grant under this subchapter.

2 Sec. 417.035. APPLICATION FOR SCHOLARSHIP, GRANT, LOAN, OR  
3 OTHER FINANCIAL ASSISTANCE. (a) A local fire department or other  
4 public fire-fighting organization may apply in writing to the board  
5 for a scholarship, grant, loan, or other financial assistance.

6 (b) The application must include the following information:

7 (1) the official name and address of the applicant;

8 (2) the purposes for which the local fire department  
9 or other public fire-fighting organization would use the requested  
10 scholarship, grant, loan, or other financial assistance;

11 (3) the amount of the scholarship, grant, loan, or  
12 other financial assistance requested;

13 (4) if a loan, the proposed plan for repayment;

14 (5) financial information relating to the applicant as  
15 requested by the board; and

16 (6) any other information the board requires in order  
17 to make a decision on the application.

18 (c) The board by rule shall prescribe the form of the  
19 application and the procedure for submitting and processing the  
20 application.

21 Sec. 417.036. REVIEW OF APPLICATION. In addition to the  
22 criteria established by board rules, the board, in reviewing an  
23 application, shall consider:

24 (1) the purpose or purposes for which the applicant  
25 would use the scholarship, grant, loan, or other financial  
26 assistance;

27 (2) the needs of that applicant as compared to the

1 needs of other eligible applicants;

2 (3) the financial need of the applicant for the money;

3 (4) the availability of other money to the applicant;

4 and

5 (5) the ability of the applicant to finance its  
6 activities without a state scholarship, grant, loan, or other  
7 financial assistance.

8 Sec. 417.037. APPROVAL OR REJECTION OF APPLICATION. The  
9 board by rule shall establish procedures for accepting or rejecting  
10 applications.

11 Sec. 417.038. CONTRACTS, AGREEMENTS, AND OTHER DOCUMENTS.

12 (a) If the board approves a loan application, the board shall  
13 contract with the applicant to provide the funds under this  
14 subchapter. The board shall provide the funds in accordance with  
15 the terms and conditions provided by this subchapter and board  
16 rules.

17 (b) The board may execute any other documents necessary to  
18 make a legally binding agreement as to the transfer and expenditure  
19 of the amount to be loaned or awarded and the repayment of any  
20 amount loaned.

21 Sec. 417.039. LIMITATION ON SCHOLARSHIPS, GRANTS, LOANS, AND  
22 OTHER FINANCIAL ASSISTANCE. (a) The board may not make awards or  
23 loans under this subchapter to any one applicant in a total amount  
24 that is greater than an amount equal to five percent of the total  
25 amount of money appropriated to the program for the fiscal year  
26 during which the award or loan is made.

27 (b) The board may not approve an application if the current

1 appropriations for the program are insufficient to pay the total  
2 amount requested under the application.

3 Sec. 417.040. DEFAULT ON LOAN. (a) If a local fire  
4 department or other public fire-fighting organization cannot make  
5 payments on a loan made under this subchapter, the board shall  
6 attempt to collect from the borrower as provided by this  
7 subchapter, the terms of the loan contract, and other agreements.

8 (b) The attorney general, at the request of the board, shall  
9 take all necessary legal action to assist the board in recovering  
10 amounts of a defaulted loan.

11 SECTION 4. As soon as practicable after the effective date  
12 of this Act, the governor shall appoint the initial members of the  
13 Fire Department Emergency Board, as provided by this Act.

14 SECTION 5. This Act takes effect January 1, 1990, but only  
15 if the constitutional amendment proposed by the 71st Legislature,  
16 Regular Session, 1989, authorizing the state to provide  
17 scholarships, grants, loans, and other financial assistance to  
18 local fire departments and other public fire-fighting organizations  
19 is approved by the voters. If that amendment is not approved by  
20 the voters, this Act has no effect.

21 SECTION 6. The importance of this legislation and the  
22 crowded condition of the calendars in both houses create an  
23 emergency and an imperative public necessity that the  
24 constitutional rule requiring bills to be read on three several  
25 days in each house be suspended, and this rule is hereby suspended.

# COMPARISON OF VERSIONS OF H.B. 708

SECTION (House bill unless otherwise noted)	SENATE VERSION	HOUSE VERSION	CONFERENCE COMMITTEE
Section 1	Divides Chapter 417, Government Code, into subchapters	Same	Same
Section 2	Conforms definition section to division of chapter into subchapters	Same	Same
Section 3	Creates the Fire Department Emergency Board and provides for the powers and duties of the board, including administering a financial assistance program	Same as Senate version except does not require the governor to appoint two members from a Fire Chief's Association list, has somewhat stricter requirement for receiving assistance, and does not have secured property provision.	Same as House version
Section 4	Initial appointments	Same	Same
Section 5	Effective date, limitation	Same	Same
Section 6	Emergency clause	Same	Same



F  
**ENROLLED**

H.B. No. 708

1 AN ACT

2 relating to the creation, administration, and operation of the fire  
3 department emergency program under the jurisdiction of the Fire  
4 Department Emergency Board.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Sections 417.001 through 417.009, Government  
7 Code, are designated as Subchapter A, Chapter 417, Government Code,  
8 as follows:

9 SUBCHAPTER A. OFFICE OF STATE FIRE MARSHAL

10 SECTION 2. Section 417.001, Government Code, is amended to  
11 read as follows:

12 Sec. 417.001. DEFINITION. In this subchapter [~~chapter~~],  
13 "board" means the State Board of Insurance.

14 SECTION 3. Chapter 417, Government Code, is amended by  
15 adding Subchapter B to read as follows:

16 SUBCHAPTER B. FIRE DEPARTMENT EMERGENCY BOARD

17 Sec. 417.021. DEFINITIONS. In this subchapter:

18 (1) "Board" means the Fire Department Emergency Board.

19 (2) "Program" means the fire department emergency  
20 program.

21 (3) "Eligible local fire departments and public  
22 fire-fighting organizations" means municipal fire departments,  
23 volunteer fire departments, and publicly supported organizations  
24 that provide equipment or training to fire departments.

1       Sec. 417.022. PURPOSE. The purpose of this subchapter is to  
2 promote efficient fire protection for the residents of this state  
3 by providing to eligible local fire departments and public  
4 fire-fighting organizations:

5           (1) long-term or low interest loans or other financial  
6 assistance as the board considers necessary to purchase necessary  
7 fire-fighting equipment and facilities; and

8           (2) scholarships and grants to better educate and  
9 train their members.

10       Sec. 417.023. CREATION OF BOARD. (a) The Fire Department  
11 Emergency Board is created as an adjunct to the state fire  
12 marshal's office.

13       (b) The state fire marshal shall provide to the board  
14 necessary office space and equipment and shall share administrative  
15 functions to the extent possible. At the board's request, the  
16 state fire marshal may provide to the board the staff necessary to  
17 assist the board in administering this subchapter.

18       Sec. 417.024. MEMBERSHIP. (a) The board is composed of  
19 seven members appointed by the governor with the advice and consent  
20 of the senate.

21       (b) Five members must be involved in fire service  
22 activities. Two members must be representatives of the general  
23 public.

24       (c) The governor shall appoint three fire service members  
25 from a list of eligible persons submitted by the State Firemen's  
26 and Fire Marshals' Association of Texas. The governor shall  
27 appoint two fire service members from a list of eligible persons

1 submitted by the Texas State Association of Fire Fighters. Each  
2 list must contain the names of at least three eligible persons for  
3 each appointment that will be made from that list.

4 Sec. 417.025. TERMS. Members of the board hold office for  
5 two-year terms that expire on February 1 of each odd-numbered year.

6 Sec. 417.026. OFFICERS; MEETINGS. (a) The board annually  
7 shall elect a chairman and a vice-chairman.

8 (b) The board shall meet at the call of the chairman or of a  
9 majority of the members, or as provided by board rules.

10 Sec. 417.027. PER DIEM AND EXPENSES. Each board member is  
11 entitled to a per diem as set by legislative appropriation for each  
12 day that the member engages in board business. A member is also  
13 entitled to compensation for transportation expenses as provided by  
14 the General Appropriations Act, but may not receive any  
15 compensation for other travel expenses, such as expenses for meals  
16 and lodging.

17 Sec. 417.028. APPLICATION OF SUNSET ACT. The Fire  
18 Department Emergency Board is subject to the Texas Sunset Act  
19 (Chapter 325). Unless continued in existence as provided by that  
20 Act, the board is abolished and this subchapter expires September  
21 1, 2001.

22 Sec. 417.029. GENERAL POWERS AND DUTIES OF BOARD. (a) The  
23 board shall:

24 (1) administer the fire department emergency program  
25 as provided by this subchapter and board rules;

26 (2) contract with professional experts as necessary to  
27 assist the board in carrying out its powers and duties under this

1 subchapter;

2 (3) adopt rules for the administration of this  
3 subchapter;

4 (4) adopt and use a seal;

5 (5) administer oaths and take testimony on matters  
6 within the board's jurisdiction;

7 (6) keep an accurate record of its meetings, receipts,  
8 and disbursements;

9 (7) submit to the presiding officers of each house of  
10 the legislature an annual report of the board's activities; and

11 (8) consider and approve or disapprove applications  
12 for scholarships, grants, loans, and other financial assistance as  
13 provided by this subchapter.

14 (b) The board may accept gifts, grants, and donations for  
15 use in carrying out the purposes of this subchapter.

16 Sec. 417.030. PROGRAM DIRECTOR; EMPLOYEES. (a) The board  
17 shall employ a director to be the chief administrative officer of  
18 the program. The board may delegate to the director full authority  
19 to manage and operate the program, subject only to board orders.

20 (b) The director may employ persons necessary for the proper  
21 management of the program or make use of persons employed by and  
22 made available by the state fire marshal, as appropriate.

23 (c) The board shall determine the terms of employment and  
24 the compensation to be paid to employees employed by the director  
25 under this section. Before adopting its annual budget, the board  
26 must submit its proposed budget to the state fire marshal for  
27 review and comment, but the state fire marshal's approval is not

1 necessary for the board's adoption of its budget.

2 Sec. 417.031. CREATION OF PROGRAM. The fire department  
3 emergency program is created to provide scholarships, grants,  
4 loans, and other financial assistance to eligible local fire  
5 departments and other public fire-fighting organizations.

6 Sec. 417.032. LOANS OR OTHER FINANCIAL ASSISTANCE FOR  
7 EQUIPMENT AND FACILITIES. (a) The board may make loans available  
8 or provide other financial assistance to an eligible local fire  
9 department or other public fire-fighting organization to:

10 (1) purchase fire-fighting equipment that is necessary  
11 for the local fire department or other public fire-fighting  
12 organization to meet its fire-fighting responsibilities; or

13 (2) finance equipment and facilities necessary to  
14 comply with federal and state law.

15 (b) The board by rule shall establish guidelines for  
16 determining eligibility for a loan or other financial assistance  
17 under this subchapter and for determining the amounts of loans or  
18 other financial assistance that the board may make available to  
19 eligible local fire departments and other public fire-fighting  
20 organizations. To be eligible for a loan or other financial  
21 assistance, a local fire department or other public fire-fighting  
22 organization must establish to the satisfaction of the board that  
23 without a loan or other financial assistance the local fire  
24 department or other public fire-fighting organization would be  
25 unable to purchase necessary fire-fighting equipment.

26 (c) The board by rule shall establish the types of equipment  
27 and facilities that a local fire department or other public

1 fire-fighting organization may purchase with a loan or other  
2 financial assistance from the board.

3 Sec. 417.033. REVOLVING FUND. The comptroller shall  
4 establish in the state treasury the Fire Department Emergency Board  
5 revolving fund account. All money collected by the board as loan  
6 payments and as payments on defaulted loans shall be deposited to  
7 the credit of the fund. Money deposited in the fund shall be used  
8 to make other loans under the program created by this subchapter.

9 Sec. 417.034. SCHOLARSHIPS AND GRANTS FOR EDUCATION AND  
10 TRAINING. (a) The board may award scholarships and grants to an  
11 eligible local fire department or other public fire-fighting  
12 organization. A local fire department or other public  
13 fire-fighting organization may use a scholarship or grant awarded  
14 under this subchapter only to educate and train its members to more  
15 effectively meet the members' fire-fighting responsibilities.

16 (b) The board by rule shall establish guidelines for  
17 determining eligibility for a grant or scholarship under this  
18 subchapter and for determining the amount that the board may award  
19 to an eligible local fire department or other public fire-fighting  
20 organization. To be eligible for a scholarship or grant, a local  
21 fire department or other public fire-fighting organization must  
22 establish to the satisfaction of the board that without a  
23 scholarship or grant the local fire department or other public  
24 fire-fighting organization would be unable to adequately train and  
25 educate its members.

26 (c) The board by rule shall determine the types of  
27 educational and training programs for which the board may award a

1 scholarship or grant under this subchapter.

2 Sec. 417.035. APPLICATION FOR SCHOLARSHIP, GRANT, LOAN, OR  
3 OTHER FINANCIAL ASSISTANCE. (a) A local fire department or other  
4 public fire-fighting organization may apply in writing to the board  
5 for a scholarship, grant, loan, or other financial assistance.

6 (b) The application must include the following information:

7 (1) the official name and address of the applicant;

8 (2) the purposes for which the local fire department  
9 or other public fire-fighting organization would use the requested  
10 scholarship, grant, loan, or other financial assistance;

11 (3) the amount of the scholarship, grant, loan, or  
12 other financial assistance requested;

13 (4) if a loan, the proposed plan for repayment;

14 (5) financial information relating to the applicant as  
15 requested by the board; and

16 (6) any other information the board requires in order  
17 to make a decision on the application.

18 (c) The board by rule shall prescribe the form of the  
19 application and the procedure for submitting and processing the  
20 application.

21 Sec. 417.036. REVIEW OF APPLICATION. In addition to the  
22 criteria established by board rules, the board, in reviewing an  
23 application, shall consider:

24 (1) the purpose or purposes for which the applicant  
25 would use the scholarship, grant, loan, or other financial  
26 assistance;

27 (2) the needs of that applicant as compared to the

1 needs of other eligible applicants;

2 (3) the financial need of the applicant for the money;

3 (4) the availability of other money to the applicant;

4 and

5 (5) the ability of the applicant to finance its  
6 activities without a state scholarship, grant, loan, or other  
7 financial assistance.

8 Sec. 417.037. APPROVAL OR REJECTION OF APPLICATION. The  
9 board by rule shall establish procedures for accepting or rejecting  
10 applications.

11 Sec. 417.038. CONTRACTS, AGREEMENTS, AND OTHER DOCUMENTS.

12 (a) If the board approves a loan application, the board shall  
13 contract with the applicant to provide the funds under this  
14 subchapter. The board shall provide the funds in accordance with  
15 the terms and conditions provided by this subchapter and board  
16 rules.

17 (b) The board may execute any other documents necessary to  
18 make a legally binding agreement as to the transfer and expenditure  
19 of the amount to be loaned or awarded and the repayment of any  
20 amount loaned.

21 Sec. 417.039. LIMITATION ON SCHOLARSHIPS, GRANTS, LOANS, AND  
22 OTHER FINANCIAL ASSISTANCE. (a) The board may not make awards or  
23 loans under this subchapter to any one applicant in a total amount  
24 that is greater than an amount equal to five percent of the total  
25 amount of money appropriated to the program for the fiscal year  
26 during which the award or loan is made.

27 (b) The board may not approve an application if the current



1 appropriations for the program are insufficient to pay the total  
2 amount requested under the application.

3 Sec. 417.040. DEFAULT ON LOAN. (a) If a local fire  
4 department or other public fire-fighting organization cannot make  
5 payments on a loan made under this subchapter, the board shall  
6 attempt to collect from the borrower as provided by this  
7 subchapter, the terms of the loan contract, and other agreements.

8 (b) The attorney general, at the request of the board, shall  
9 take all necessary legal action to assist the board in recovering  
10 amounts of a defaulted loan.

11 SECTION 4. As soon as practicable after the effective date  
12 of this Act, the governor shall appoint the initial members of the  
13 Fire Department Emergency Board, as provided by this Act.

14 SECTION 5. This Act takes effect January 1, 1990, but only  
15 if the constitutional amendment proposed by the 71st Legislature,  
16 Regular Session, 1989, authorizing the state to provide  
17 scholarships, grants, loans, and other financial assistance to  
18 local fire departments and other public fire-fighting organizations  
19 is approved by the voters. If that amendment is not approved by  
20 the voters, this Act has no effect.

21 SECTION 6. The importance of this legislation and the  
22 crowded condition of the calendars in both houses create an  
23 emergency and an imperative public necessity that the  
24 constitutional rule requiring bills to be read on three several  
25 days in each house be suspended, and this rule is hereby suspended.

H.B. No. 708

---

President of the Senate

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Speaker of the House

I certify that H.B. No. 708 was passed by the House on May 10, 1989, by a non-record vote; and that the House refused to concur in Senate amendments to H.B. No. 708 on May 26, 1989, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.B. No. 708 on May 29, 1989, by a non-record vote.

---

Chief Clerk of the House

H.B. No. 708

I certify that H.B. No. 708 was passed by the Senate, with amendments, on May 25, 1989, by a viva-voce vote; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.B. No. 708 on May 29, 1989, by a viva-voce vote.

---

Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

---

Governor

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I certify that H.B. No. 708<sup>✓</sup> was passed by the House on  
(1)

May 10<sup>✓</sup>, 1989, by a non-record vote; that the  
(2)

House refused to concur in Senate amendments to H.B. No. 708<sup>✓</sup> on  
(3) May 26<sup>✓</sup>, 1989, and requested the appointment

of a conference committee to consider the differences between the  
two houses; and that the House adopted the conference committee report  
on H.B. No. 708<sup>✓</sup> on May 29<sup>✓</sup>, 1989, by a  
(4)

non-record vote.

\_\_\_\_\_  
Chief Clerk of the House

\*\*\*\* Preparation: 'A;CT40;

I certify that H.B. No. 708<sup>✓</sup> was passed by the Senate,  
(1)

with amendments, on May 25<sup>✓</sup>, 1989, by a  
(2)

✓  
viva-voce vote; at the request of the House, the Senate appointed a  
conference committee to consider the differences between the two houses;  
and that the Senate adopted the conference committee report on  
H.B. No. 708<sup>✓</sup> on May 29<sup>✓</sup>, 1989, by a viva-voce vote.  
(3)

\_\_\_\_\_  
Secretary of the Senate

APPROVED:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor

\*\*\*\* Preparation: 'A;CT41;

H. B. No.

708

By

Perry

## A BILL TO BE ENTITLED

## AN ACT

relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board, and to funding of the program by an increase in the maintenance tax on the gross premiums of certain types of insurance.

JAN 27 1989

1. Filed with the Chief Clerk.

FEB 20 1989

2. Read first time and Referred to Committee on

Appropriations

MAR 24 1989

3. Reported favorably (as amended) and sent to Printer at 3:15 pm  
(as substituted) MAR 28 1989

MAR 29 1989

4. Printed and distributed at 8:59 am

MAR 30 1989

5. Sent to Committee on Calendars at 1:26 pm

MAY 9 1989

6. Read second time (amended) passed to third reading (failed) by (Non-Record Vote)  
(Record Vote of        yeas,        nays,        present, not voting).

7. Motion to reconsider and table the vote by which H.B.        was ordered engrossed prevailed (failed) by a (Non-Record Vote) (Record Vote of        yeas,        nays, and        present, not voting).

8. Constitutional Rule requiring bills to be read on three several days suspended (failed to suspend) by a four-fifths vote of        yeas,        nays, and        present, not voting.

MAY 10 1989

9. Read third time (amended); finally passed (failed) by (Non-Record Vote) (Record Vote of        yeas,        nays,        present, not voting).

10. Caption ordered amended to conform to body of bill.

11. Motion to reconsider and table the vote by which H. B.        was finally passed prevailed (failed) by a (Non-Record Vote) (Record Vote of        yeas,        nays, and        present, not voting).

MAY 10 1989

12. Ordered Engrossed at 3:05 pm

MAY 10 1989

13. Engrossed.

MAY 10 1989

14. Returned to Chief Clerk at 7:22 pm

MAY 11 1989

15. Sent to Senate.

*Betty Murray*  
Chief Clerk of the House

MAY 11 1989

16. Received from the House

MAY 12 1989

17. Read, referred to Committee on FINANCE

MAY 20 1989

18. Reported favorably

19. Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

20. Ordered not printed.

MAY 25 1989

21. Regular order of business suspended by U.C.  
(a viva voce vote.)  
(       yeas,        nays.)

69 MAY 10 PM 7: 22

89 MAY 10 AM 12: 17

HOUSE OF REPRESENTATIVES

HOUSE OF REPRESENTATIVES

22. To permit consideration, reading and passage, Senate and Constitutional Rules suspended by vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays.

MAY 25 1989

23. Read second time amended passed to third reading by: (a viva voce vote.) \_\_\_\_\_ yeas, \_\_\_\_\_ nays.)

MAY 25 1989

24. Caption ordered amended to conform to body of bill.

MAY 25 1989

25. Senate and Constitutional 3-Day Rules suspended by vote of 30 yeas, \_\_\_\_\_ nays to place bill on third reading and final passage.

MAY 25 1989

26. Read third time and passed by (a viva voce vote.) \_\_\_\_\_ yeas, \_\_\_\_\_ nays.)

OTHER ACTION:

OTHER ACTION:

Betty King

Secretary of the Senate

May 25, 1989

27. Returned to the House.

MAY 25 1989

28. Received from the Senate (with amendments.) (as substituted.)

MAY 26 1989

29. House (Concurred) (Refused to Concur) in Senate (Amendments) (Substitute) by a (Non-Record) (Vote) (Record Vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting).

MAY 26 1989

30. Conference Committee Ordered.

MAY 29 1989

31. Conference Committee Report Adopted (Rejected) by (Non-Record Vote) (Record, Vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, and \_\_\_\_\_ present, not voting).

MAY 29 1989

32. Ordered Enrolled at 8:33 pm

HOUSE OF REPRESENTATIVES

89 MAR 29 AM 8: 59

HOUSE OF REPRESENTATIVES

89 MAY 25 PM 5: 06

806

Finnell  
Morales  
Telford  
Waterfield

By Perry

H.B. No. 708

A BILL TO BE ENTITLED

AN ACT

relating to the creation, administration, and operation of the fire department emergency program under the jurisdiction of the Fire Department Emergency Board, and to funding of the program by an increase in the maintenance tax on the gross premiums of certain types of insurance.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Title 4, Government Code, is amended by adding Chapter 419 to read as follows:

CHAPTER 419. FIRE DEPARTMENT EMERGENCY BOARD

Sec. 419.001. DEFINITIONS. In this chapter:

(1) "Board" means the Fire Department Emergency Board.

(2) "Fund" means the fire department emergency fund.

(3) "Program" means the fire department emergency program.

Sec. 419.002. PURPOSE. The purpose of this chapter is to promote efficient fire protection for the residents of this state by providing to eligible local fire departments and public fire-fighting organizations:

(1) long-term or low interest loans or other financial assistance as the board considers necessary to purchase necessary fire-fighting equipment and facilities; and

(2) scholarships and grants to better educate and train their members.